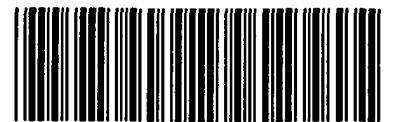


REGISTERED NUMBER: OC421757

**Pacific Asset Management LLP**  
**Annual Report and Audited Financial Statements**  
**for the year ended 31 March 2023**

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# **Pacific Asset Management LLP**

## **Financial Statements**

**for the year ended 31 March 2023**

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# **Pacific Asset Management LLP**

## **Members' Report**

**for the year ended 31 March 2023**

The members present their report and the audited financial statements of Pacific Asset Management LLP ("the LLP") for the for the year ended 31 March 2023.

### **Principal activities**

The principal activity of the LLP during the year was that of a holding company.

### **Results for the period**

The profit for the period was £1,532,690 (2022: £1,263,821).

### **Designated members**

The designated members who served the LLP during the period were as follows:

MC Johnson  
James Davidson  
PAM Asset Management Holdings Limited

### **Key performance indicators ("KPIs")**

Given the straightforward nature of the business, the LLP's designated members are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

### **Principal risks and uncertainties**

From the perspective of the LLP, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly, the principal risks and uncertainties of the Pacific Investments Limited group, which include those of the LLP, are discussed within the "Principal risks and uncertainties" paragraph in the directors' report in the consolidated financial statements of Pacific Investments Limited, which do not form part of this report.

### **Liquidity and interest rate risk**

The LLP has access to the Pacific Investments Limited group loan facility. This is sufficient for current and planned future operations. Interest rate exposure is not considered a risk given the nature of its interest-bearing assets and liabilities. The designated members will revisit the appropriateness of this policy should the LLP's operations change in size or nature.

### **Policy regarding members' drawings and the subscription and repayment of amounts subscribed or otherwise contributed by members**

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP.

New members are required to subscribe a minimum level of capital and in subsequent years members are invited to subscribe for further capital, the amounts of which is determined by the performance and seniority of those members. Members' capital is only repaid to outgoing members in accordance with the provision in the Members' Deed. The capital is replaced by capital contributions from existing or new members, and as such it is accounted for as equity in accordance with FRS 102.

# **Pacific Asset Management LLP**

## **Members' Report**

**for the year ended 31 March 2023**

### **Members' responsibilities statement**

The members are responsible for preparing the members' report and the financial statements in accordance with applicable law and regulations.


Company law as applied to limited liability partnerships requires the members to prepare financial statements for each financial period. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland". Under company law as applied to limited liability partnerships the members 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 LLP and the profit or loss of the LLP for that period.

In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the members on 20/12/2023 and signed on behalf of the members by:

  
James Davidson (Dec 20, 2023 11:36 GMT)

James Davidson  
Designated Member

Registered office:  
1 Portland Place  
London  
W1B 1PN



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PACIFIC ASSET MANAGEMENT LLP**

### **Opinion**

We have audited the financial statements of Pacific Asset Management LLP (the 'LLP') for the year ended 31 March 2023 which comprise the Statement of Comprehensive income, Statement of financial position, Statement of Changes in Equity including Reconciliation of members' interests and the 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 FRS 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 LLP's affairs as at 31 March 2023 and of its result 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.

### **Emphasis of matter – financial support**

We draw attention to note 3 of the financial statements, which describes the financial support required from Pacific Investment Management Limited in order to continue as a going concern. Our opinion is not modified in respect of this matter.

### **Conclusions relating to going concern**

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

### **Other information**

The other information comprises the information included in Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The designated members are 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 the audit:

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

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

In the light of the knowledge and understanding of the LLP and its environment obtained in the course of the audit, we have not identified material misstatements in the members' 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 designated members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of members**

As explained more fully in the members' responsibilities statement, the members are 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 members 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 members are responsible for assessing the LLP'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 member either intend to liquidate the LLP or to cease operations, or have 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 obtained a general understanding of the LLP's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the LLP's industry and regulation.

We understand that the LLP complies with the framework through:

- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change,
- The Members' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the LLP's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.

The areas identified in this discussion were:

- Manipulation of the financial statements, especially revenue, via fraudulent journal entries, particularly as the size of the LLP means that there is little opportunity for segregation of duties.
- Significant changes to the internal controls over purchase authorisations following introduction of a new system.

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Challenging management regarding the assumptions used in the estimates identified above, and comparison to market data and post-year-end data as appropriate.
- Substantive work on material areas affecting profits.
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those posted at unusual times.

Overall, the senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Other matter

The financial statements of Pacific Asset Management LLP for the year ended 31 March 2022 were unaudited.

### Use of our report

This report is made solely to the LLP'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 LLP'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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Guy Swarbreck  
Guy Swarbreck (Dec 20, 2023 14:12 GMT)

20/12/2023

Guy Swarbreck

Senior Statutory Auditor, for and on behalf of

**CLA Evelyn Partners Limited**

Statutory Auditor

Chartered Accountants



**Pacific Asset Management LLP**  
**Statement of Comprehensive Income**  
**for the year ended 31 March 2023**

	Note	Year to 31 Mar 23 £	Unaudited Year to 31 Mar 22 £
Share of profits in group partnerships	5	1,532,690	1,263,821
<b>Profit for the financial year before members' remuneration</b>		<u>1,532,690</u>	<u>1,263,821</u>

All the activities of the limited liability partnership are from continuing operations.

# Pacific Asset Management LLP

## Statement of Financial Position

as at 31 March 2023

		2023	Unaudited 2022
	Note	£	£
<b>Fixed assets</b>			
Investments in subsidiary undertakings	6	6,286,589	5,446,500
Other Debtors	7	722,500	1,445,000
<b>Net Assets</b>		<u>7,009,089</u>	<u>6,891,500</u>
<b>Members' equity</b>			
Members' capital classified as equity		5,335,571	5,984,006
Other reserves		<u>(203,711)</u>	<u>(203,711)</u>
		5,131,860	5,780,295
<b>Loans and other debts due to members</b>			
Amounts due to members		<u>1,877,229</u>	<u>1,111,205</u>
		<u>7,009,089</u>	<u>6,891,500</u>
<b>Total members' interests</b>			
Amounts due to members		1,877,229	1,111,205
Members' other interests		<u>5,131,860</u>	<u>5,780,295</u>
		<u>7,009,089</u>	<u>6,891,500</u>

These financial statements were approved by the members and authorised for issue on .....20/12/2023....., and are signed on their behalf by:

James Davidson  
James Davidson (Dec 20, 2023 11:36 GMT)

James Davidson  
Designated Member

Company registration number: OC421757

**Pacific Asset Management LLP**  
**Statement of Changes in Equity including Reconciliation of Members' Interests**  
**for the year ended 31 March 2023**

	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors		Total Members' Interests
	Members' capital (classified as equity)	Other Reserves	Total	Amounts Due to Members	Total	31 Mar 23
	£	£	£	£	£	£
Balance at 1 April 2022	5,984,006	(203,711)	5,780,295	1,111,205	1,111,205	6,891,500
Profit for the financial period available for discretionary division among members	-	1,532,690	1,532,690	-	-	1,532,690
Members' interest after profit for the period	5,984,006	1,328,979	7,312,985	1,111,205	1,111,205	8,424,190
Allocation of profits	-	(1,532,690)	(1,532,690)	1,532,690	1,532,690	-
Distribution of proceeds from part disposal of subsidiary	(648,435)	-	(648,435)	-	-	(648,435)
Drawings	-	-	-	(766,666)	(766,666)	(766,666)
<b>Balance at 31 March 2023</b>	<b>5,335,571</b>	<b>(203,711)</b>	<b>5,131,860</b>	<b>1,877,229</b>	<b>1,877,229</b>	<b>7,009,089</b>

Members' capital is classified as equity where the LLP has unconditional right to refuse repayment of capital. Amounts due to members classified as a liability would rank equally with unsecured creditors in the event of a winding up of the LLP.

The notes on pages 12 to 15 form part of these financial statements.

**Pacific Asset Management LLP**  
**Reconciliation of Members' Interests**  
**for the year ended 31 March 2022**

	Unaudited					
	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors		Total Members' Interests
	Members' capital (classified as equity)	Other Reserves	Total	Amounts Due to Members	Total	31 Mar 22
	£	£	£	£	£	£
Balance at 1 April 2021	4,539,017	(152,442)	4,386,575	601,207	601,207	4,987,782
Profit for the financial period available for discretionary division among members	-	1,263,821	1,263,821	-	-	1,263,821
Members' interest after profit for the period	4,539,017	1,111,379	5,650,396	601,207	601,207	6,251,603
Allocation of profits	-	(1,263,821)	(1,263,821)	1,263,821	1,263,821	-
Professional fees incurred as part of acquisition	-	(51,269)	(51,269)	-	-	(51,269)
Consideration for part disposal of subsidiary	2,640,000	-	2,640,000	-	-	2,640,000
Distribution of proceeds from part disposal of subsidiary	(1,195,011)	-	(1,195,011)	-	-	(1,195,011)
Drawings	-	-	-	(753,823)	(753,823)	(753,823)
Balance at 31 March 2022	5,984,006	(203,711)	5,780,295	1,111,205	1,111,205	6,891,500

Members' capital is classified as equity where the LLP has unconditional right to refuse repayment of capital. Amounts due to members classified as a liability would rank equally with unsecured creditors in the event of a winding up of the LLP.

The notes on pages 12 to 15 form part of these financial statements.

# **Pacific Asset Management LLP**

## **Notes to the Financial Statements**

**for the year ended 31 March 2023**

### **1. Statement of compliance**

These financial statements have been prepared in compliance with 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 2021 (SORP 2021).

### **2. General information**

Pacific Asset Management LLP (OC421757) is a limited liability partnership incorporated in England and Wales. The address and registered office is 1 Portland Place, London, W1B 1PN. The nature of the LLP's operations are set out in the Members' Report on Page 1.

### **3. Accounting policies**

#### **Basis of preparation**

The limited liability partnership is a subsidiary of the Pacific Investments Limited group of companies and is included in the consolidated financial statements of Pacific Investments Limited, which are publicly available.

The functional currency of the limited liability partnership is considered to be pounds sterling as this is the currency of the primary environment in which the limited liability partnership operates.

#### **Going concern**

The financial statements have been prepared on a going concern basis which assumes the continued support of the parent company. The members have received a letter from the parent company, Pacific Investments Management Limited, confirming its support for a period of at least one year from the date of approval of these financial statements.

#### **Disclosure exemptions**

The limited liability partnership has taken advantage of the following exemptions available under FRS 102:

- The exemption from preparing a Statement of Cash Flows; and
- The exemption from disclosing key management personnel compensation

#### **Members' participation rights**

#### **Members' remuneration**

Profits attributable to members are automatically determined, allocated and divided between members during the year and as such are classified as member's remuneration charged as an expense. To the extent that these profits remain unpaid at the year end, they are shown as loans and other debts due to members in the Statement of Financial Position.

Losses shall be allocated to all members' pro rata, up to a limited to the amount of (i) firstly, each members' capital account; and (ii) secondly, each members' regulatory capital retention account.

# **Pacific Asset Management LLP**

## **Notes to the Financial Statements**

**for the year ended 31 March 2023**

### **3. Accounting policies (continued)**

#### **Members' capital**

Members' capital is only repaid to outgoing members in accordance with the provision in the Members' Deed. The capital is replaced by capital contributions from existing or new members, and as such it is accounted for as equity in accordance with FRS 102.

#### **Financial instruments**

The limited liability partnership enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third party, loans to related parties and investments in non-puttable ordinary shares.

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

Financial liabilities and equity instruments issued by the group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Equity instruments issued by the LLP are recorded at the proceeds received, net of direct issue costs.

### **4. Key sources of estimation uncertainty and judgements**

The preparation of the financial statements in conformity with the generally accepted accounting practices requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenue and expenses during the reporting period.

#### **(i) Recovery of amounts due from members**

Management have reviewed amounts due from members at 31 March 2023 and consider the historical and future performance of the LLP to support recoverability of these balances in full.

#### **(ii) Impairment of investments in subsidiary undertakings**

Investments in subsidiary undertakings are stated at cost less any provision for permanent diminution in value. Realised gains and losses are dealt with through the Statement of Income and Retained Earnings. A review for impairment is carried out if events or changes in circumstances indicate that the carrying amount may not be recoverable, in which case an impairment provision is recognised and charged to the Statement of Income and Retained Earnings.

# Pacific Asset Management LLP

## Notes to the Financial Statements

for the year ended 31 March 2023

### 5. Share of profits in group partnerships

	Year to 31 Mar 23	Unaudited Year to 31 Mar 22
	£	£
Share of profits in Pacific Asset Management Services LLP	<u>1,532,690</u>	<u>1,263,821</u>

### 6. Investments in subsidiary undertakings

	Shares £	Partnership Capital £	Loans £	Total £
<b>Cost</b>				
At 1 April 2021	3,133,001	1,908,140	3,538,359	8,579,500
Additions	–	565,089	275,000	458,718
<b>Cost at 31 March 2022</b>	<u>3,133,001</u>	<u>2,473,229</u>	<u>3,813,359</u>	<u>9,419,589</u>
<b>Provision for diminution in value</b>				
At 1 April 2022	(3,113,000)	–	–	(3,113,000)
Additions	–	–	–	–
<b>Provision at 31 March 2023</b>	<u>(3,133,000)</u>	<u>–</u>	<u>–</u>	<u>(3,133,000)</u>
<b>Net Book Value</b>				
<b>At 31 March 2023</b>	<u>1</u>	<u>2,473,229</u>	<u>3,813,359</u>	<u>6,286,589</u>
At 31 March 2022 (Unaudited)	1	1,908,140	3,538,359	5,446,500

Loans to subsidiaries represent long term funding and are considered equity in nature. Repayment will not be demanded until alternative external funding is achieved, either via refinancing, flotation, trade sale or similar.

Unless stated otherwise, the registered office address for all the entities listed below is 124 Sloane Street, London, SW1X 9BW.

Name of Undertaking	Principal Activity	Shares	Effective Interest	Country of Incorporation
Pacific Asset Management Services LLP (previously known as dVAM LLP) (1)	Fund Management	n/a	85%	England & Wales
Pacific Wealth Management Limited	Investment holding Co	Ordinary	100%	England & Wales
Parallel Investment Management Ltd	Discretionary Fund Manager	Ordinary	100%	England & Wales

(1) Registered office address: 1 Portland Place, London, W1B 1PN

# Pacific Asset Management LLP

## Notes to the Financial Statements

for the year ended 31 March 2023

### 7. Other Debtors

	Year to 31 Mar 23	Unaudited Year to 31 Mar 22
	£	£
Deferred Consideration on part disposal of subsidiary	722,500	1,445,000

### 8. Related party transactions

During the period the LLP introduced capital to Pacific Asset Management Services LLP, a subsidiary, and was allocated profits. The net amount of these transactions was an increase in the cost of investment of £565,089 (2022: £183,718). At 31 March 2023, the LLP had a capital balance of £2,473,229 (2022: £1,908,140) which has been included in 'Investments in subsidiary undertakings'.

During the period, PAM Asset Management Holdings Limited, a member of the LLP, introduced capital to the LLP and was allocated profits. The net amount of these transactions was an increase to the capital account of £710,505 (2022: £710,505) and an increase to the amounts due to members (for profit allocated) of £442,256 (2022: £442,256). At 31 March 2023, PAM Asset Management Holdings Limited had a capital balance of £4,396,220 (2022: £4,396,220) which has been included in 'Members capital classified as equity' and a profit owed of (2022: £765,055) which has been included in amounts due to members.

No further transactions with related parties were undertaken such as are required to be disclosed under FRS 102.

### 9. Controlling party

At 31 March 2023 the immediate controlling party was PAM Asset Management Holdings Limited, a company registered in England and Wales.

The ultimate parent company was Pacific Investments Limited, a company registered in England and Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Pacific Investments Limited's consolidated financial statements can be obtained from Companies House.

In the opinion of the members, the ultimate controlling party of the LLP is JL Beckwith, a director and majority shareholder of the ultimate parent company.