

Registration number: OC352676

Kennedys Singapore LLP

Report and Unaudited Financial Statements

for the Year Ended 30 April 2020

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COMPANIES HOUSE

Kennedys Singapore LLP

Designated members and advisers

Designated members Kennedys Law LLP

Kennedys Management Holdings Limited

Registered office 25 Fenchurch Avenue
London
EC3M 5AD

Regulator The Solicitors Regulation Authority
The Cube
199 Wharfside Street
Birmingham
B1 1RN

Bank DBS Bank Limited
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore
018982

Registration number OC352676

Kennedys Singapore LLP

Members' Report for the Year Ended 30 April 2020

The members present their report and the unaudited financial statements of Kennedys Singapore LLP (the 'LLP') for the year ended 30 April 2020.

Principal activity

The principal activity of the LLP is the provision of staff. It continues to be authorised and regulated by the Solicitors Regulation Authority as it has an interest in a Singapore joint venture law firm.

The LLP operated a branch in Singapore during the year.

Results

The loss for the year was SGD 787K (2019: Loss of SGD 2,132K).

Going concern

The LLP had net liabilities due from members of SGD 5,336K at 30 April 2020 (2019: net liabilities of SGD 3,567K). The members, taking into account the confirmation of ongoing financial support from the ultimate controlling party, are confident that the LLP will meet all its financial commitments as they fall due. The LLP therefore continues to adopt the going concern basis in preparing its financial statements.

The members are pleased that the Kennedys Group has continued to operate profitably during the COVID-19 pandemic. At the start of the pandemic, the firm took prudent decisions to delay some non-essential expenditure and ensure additional financing arrangements were in place should they be needed. The firm's Global Strategy Board has been closely monitoring the impact of COVID-19 on both our markets and the markets in which our clients operate in and continue to evolve strategies to manage any issues and uncertainties. During both the first few months of the year under review and subsequently the business has remained robust and continues to operate profitably. To date additional financing arrangements have not been needed and global cash flow forecasts and financial modelling looking forward 3 financial years have provided the members with confidence that the future business outlook remains profitable and cash generative.

Designated members

The members who held office during the year and up to the date of signing the financial statements were as follows:

Kennedys Law LLP

Kennedys Management Holdings Limited

Kennedys Singapore LLP

Members' Report for the Year Ended 30 April 2020 (continued)

Members' drawings and the subscription and repayment of members' capital

In accordance with the LLP agreement 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. Any further distributions are made only once the results and the allocations of profits for the year are finalised.

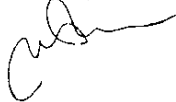
Each member is personally liable for the tax payable on their profit allocations. However, a sum equivalent to tax is withheld and remitted to the tax authorities on behalf of members as and when the tax becomes due.

The LLP's capital requirements are regularly reviewed and determined by the Board. New members are required to subscribe a minimum level of capital and in subsequent years, members are invited to subscribe for further capital, the amount of which is determined by the performance and seniority of those members. On retirement or cessation of membership of the firm, capital is repaid to members as set out in the terms of the Members' Agreement.

During the reporting period capital subscriptions of £982K were transferred into Kennedys Law LLP, the ultimate parent entity.

A member's share of the profit or loss for the year is accounted for as an allocation of profits. Unallocated profits and losses are included within members' other interests.

Approved by the Board on 26/01/2021..... and signed on its behalf by:



.....
N P G Thomas
Designated member
For and on behalf of Kennedys Law LLP

Kennedys Singapore LLP

Statement of Comprehensive Income for the Year Ended 30 April 2020

	Note	2020 SGD '000	2019 SGD '000
Turnover	2	1,718	1,537
Staff costs	5	(1,595)	(1,450)
Other operating income/(expenses)		<u>187</u>	<u>(163)</u>
Operating profit/(loss)	3	310	(76)
Share of loss from investments	6	(934)	(2,049)
Interest payable and similar charges	4	<u>(163)</u>	<u>(105)</u>
Loss for the financial year before tax and members' remuneration charged as an expense		(787)	(2,230)
Corporation Tax		<u>-</u>	<u>98</u>
Loss for the financial year available for discretionary division among members		<u>(787)</u>	<u>(2,132)</u>
Total comprehensive loss for the financial year		<u>(787)</u>	<u>(2,132)</u>

The notes on pages 9 to 14 form an integral part of these financial statements.

Kennedys Singapore LLP

(Registration number: OC352676)

Statement of Financial Position as at 30 April 2020

	Note	2020 SGD '000	2019 SGD '000
Fixed assets			
Investments	6	78	1,012
Current assets			
Debtors	7	411	249
Cash at hand and in bank		<u>8</u>	<u>21</u>
		419	270
Creditors: Amounts falling due within one year	8	<u>(4,977)</u>	<u>(3,993)</u>
Net current liabilities		<u>(4,558)</u>	<u>(3,723)</u>
Total assets less current liabilities		(4,480)	(2,711)
Creditors: Amounts falling due after more than one year	9	<u>(856)</u>	<u>(856)</u>
Net liabilities attributable to members		<u>(5,336)</u>	<u>(3,567)</u>
Represented by:			
Loans and other debts due to members			
Members' capital classified as a liability		-	982
Members' other interests			
Members' other interests		<u>(5,336)</u>	<u>(4,549)</u>
		<u>(5,336)</u>	<u>(3,567)</u>
Total members' interests			
Loans and other debts due to members		-	982
Members' other interests		<u>(5,336)</u>	<u>(4,549)</u>
		<u>(5,336)</u>	<u>(3,567)</u>

For the year ending 30 April 2020 the limited liability partnership was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary entities, as applied to limited liability partnerships. The members have not required the limited liability partnership to obtain an audit of its financial statements for the year in question in accordance with section 476.

The members acknowledge their responsibilities for complying with the requirements of the Act, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 with respect to accounting records and the preparation of accounts.

The notes on pages 9 to 14 form an integral part of these financial statements.

Kennedys Singapore LLP

(Registration number: OC352676)

Statement of Financial Position as at 30 April 2020 (continued)

The financial statements have been prepared in compliance with FRS 102 as set out in paragraph 3.3, adapted to refer to Section 1A.

The financial statements on pages 5 to 14 were approved and authorised for issue by the members and signed on their behalf by:



.....
N P G Thomas
Designated member
For and on behalf of Kennedys Law LLP
26/01/2021

Kennedys Singapore LLP

Statement of Changes in Equity for the year ended 30 April 2020

	Members' capital classified as a liability SGD '000	Members' other interests SGD '000	Total members' interests SGD '000
At 1 May 2019	982	(4,549)	(3,567)
Loss for the financial year available for discretionary division among members	-	(787)	(787)
Transfer of capital	(982)	-	(982)
At 30 April 2020	-	(5,336)	(5,336)

	Loans and other debts due to/(from) members		
	Members' capital classified as a liability SGD '000	Members' other interests SGD '000	Total members' interests SGD '000
At 1 May 2018	982	(2,417)	(1,435)
Loss for the financial year available for discretionary division among members	-	(2,132)	(2,132)
At 30 April 2019	982	(4,549)	(3,567)

Kennedys Singapore LLP

Notes to the Financial Statements for the year ended 30 April 2020

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Entity information and basis of accounting

The entity is a limited liability partnership ('LLP') incorporated and registered in England and Wales at 25 Fenchurch Avenue, London, EC3M 5AD. Its principal place of business is a branch office in Singapore at 80 Raffles Place, #44-01 UOB Plaza 1, Singapore 048624, Singapore.

The LLP's principal activity is the provision of business support services to Kennedys Legal Solutions Pte, a joint venture law firm between the LLP and Legal Solutions LLC.

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' Section 1A ('FRS 102'), Companies Act 2006 as applied by LLPs, and the Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships, issued in January 2017. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

Kennedys Singapore LLP meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. These exemptions have been applied in relation to:

- the requirement to prepare a statement of cash flows;
- financial instruments disclosure;
- intra-group transactions; and
- disclosure of key management personnel compensation.

Going concern

The LLP had net liabilities due from members of SGD 5,336K at 30 April 2020 (2019: net liabilities of SGD 3,567K). The members, taking into account the confirmation of ongoing financial support from the ultimate controlling party, are confident that the LLP will meet all its financial commitments as they fall due. The LLP therefore continues to adopt the going concern basis in preparing its financial statements.

The members are pleased that the Kennedys Group has continued to operate profitably during the COVID-19 pandemic. At the start of the pandemic, the firm took prudent decisions to delay some non-essential expenditure and ensure additional financing arrangements were in place should they be needed. The firm's Global Strategy Board has been closely monitoring the impact of COVID-19 on both our markets and the markets in which our clients operate in and continue to evolve strategies to manage any issues and uncertainties. During both the first few months of the year under review and subsequently the business has remained robust and continues to operate profitably. To date additional financing arrangements have not been needed and global cash flow forecasts and financial modelling looking forward 3 financial years have provided the members with confidence that the future business outlook remains profitable and cash generative.

Kennedys Singapore LLP

Notes to the Financial Statements for the year ended 30 April 2020 (continued)

1 Accounting policies (continued)

Revenue recognition

The LLP's turnover and profit before taxation for the current year were all derived from its principal activity, the provision of business support staff to Kennedys Legal Solutions Pte. The principal risk facing the LLP is its reliance on a single client.

Debtors

Short term debtors are measured at transaction price less any provision for impairments.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including loans, are measured initially at fair value net of transactions costs, and are measured subsequently at amortised cost using the effective interest method.

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 shown within borrowings in current liabilities.

Foreign currency translation

Functional Currency and Presentation Currency

The functional currency of Kennedys Singapore LLP is considered to be the Singapore Dollar (SGD) because that is the currency of the primary economic environment in which the firm operates. The financial statements are also presented in Singapore Dollars.

Transactions and Balances

In preparing the financial statements, transactions in currencies other than the functional currency are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in the statement of comprehensive income in the period in which they arise.

Fixed asset investments

Investments in associates and joint ventures are recognised initially in the statement of financial position at the transaction price and subsequently adjusted to reflect the LLP's share of total comprehensive income and equity of the associate or joint venture, less any impairment.

Kennedys Singapore LLP

Notes to the Financial Statements for the year ended 30 April 2020 (continued)

2 Turnover

An analysis of the LLP's turnover for the year by geographical market is as follows:

	2020 SGD '000	2019 SGD '000
Singapore	<u>1,705</u>	<u>1,537</u>

3 Operating profit/(loss)

Operating profit/(loss) is stated after (crediting)/charging:

	2020 SGD '000	2019 SGD '000
Foreign currency (gains)/losses	<u>(109)</u>	<u>(100)</u>

4 Interest payable and similar charges

	2020 SGD '000	2019 SGD '000
Interest on bank borrowings	21	19
Other interest payable	<u>142</u>	<u>86</u>
	<u>163</u>	<u>105</u>

5 Particulars of employees

The average number of persons employed by the LLP (including members) during the year, analysed by category was as follows:

	2020 No.	2019 No.
Others	<u>20</u>	<u>15</u>
	<u>20</u>	<u>15</u>

Kennedys Singapore LLP

Notes to the Financial Statements for the year ended 30 April 2020 (continued)

5 Particulars of employees (continued)

	2020 SGD '000	2019 SGD '000
Staff costs		
Wages and salaries	1,329	1,242
Other costs	<u>266</u>	<u>208</u>
	<u>1,595</u>	<u>1,450</u>

6 Investments

	2020 SGD '000	2019 SGD '000
Other investments	<u>78</u>	<u>1,012</u>

Other investments

	Investments SGD '000	Total SGD '000
Cost		
At 1 May 2019	1,012	1,012
Change in value of investments	<u>(934)</u>	<u>(934)</u>
At 30 April 2020	<u>78</u>	<u>78</u>
Net book value		
At 30 April 2020	<u>78</u>	<u>78</u>
At 30 April 2019	<u>1,012</u>	<u>1,012</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion held	Principal activity
Kennedys Legal Solutions Pte	Singapore	Equity	50%	Legal Services
Legal Solutions LLC	Singapore	Equity	30%	Legal Services

Kennedys Singapore LLP

Notes to the Financial Statements for the year ended 30 April 2020 (continued)

7 Debtors

	2020 SGD 000	2019 SGD 000
Amounts owed by joint venture undertakings	308	204
Other debtors	4	-
Prepayments and accrued income	99	45
	<u>411</u>	<u>249</u>

Amounts owed by joint venture undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

8 Creditors: Amounts falling due within one year

	2020 SGD '000	2019 SGD '000
Trade creditors	24	56
Amounts due to fellow subsidiary undertakings	128	128
Amounts due to parent undertaking	4,720	3,707
Other taxes and social security	76	67
Other creditors	4	6
Accruals and deferred income	25	29
	<u>4,977</u>	<u>3,993</u>

Amounts due to fellow subsidiary undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. Amounts due to parent undertakings are unsecured with no fixed date of repayment; they are repayable on demand and incur an annual interest charge of 4%.

Amounts due to members rank behind unsecured creditors.

Kennedys Singapore LLP

Notes to the Financial Statements for the year ended 30 April 2020 (continued)

9 Creditors: Amounts falling due after more than one year

	2020 SGD '000	2019 SGD '000
Bank loans	<u>856</u>	<u>856</u>

10 Financial risk management

The LLP has exposures to two main areas of risk - foreign exchange transactional currency exposure and liquidity risk.

Foreign exchange transactional currency exposure

The LLP is exposed to currency exchange rate risk due to a proportion of its receivables and operating expenses being denominated in non-Singapore dollar currencies. The net exposure of each currency is monitored and where possible managed by the use of the treasury function.

Liquidity risk

The objective of the LLP in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The LLP expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the group and thus the LLP has credit facilities available.

11 Related parties

The LLP has taken advantage of the exemption from disclosing transactions with fellow group undertakings that are 100% owned within the group as permitted by paragraph 33.1A of Financial Reporting Standard 102. Where not all voting rights are held within the group related party transactions are detailed below:

During the year the LLP made sales to joint ventures totalling SGD 1,718K (2019: SGD: 1,537K). At the year end were amounts due from joint ventures totalling SGD 308K (2019: SGD 203K).

12 Controlling entity

The LLP is a wholly owned subsidiary undertaking of Kennedys Law LLP, a limited liability partnership registered in England and Wales. Kennedys Law LLP is both the largest and smallest group for which consolidated financial statements including Kennedys Singapore LLP are prepared. The consolidated financial statements of Kennedys Law LLP are available on request from 25 Fenchurch Avenue, London, EC3M 5AD.