

Registered No: 5622744

Asset Link Capital (No 3) Limited

Report and Financial Statements

Year Ended 31 March 2022

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COMPANIES HOUSE

Asset Link Capital (No 3) Limited

Registered No: 5622744

Directors

H Shah

A R Cloake

Registered Office

The Peak

2nd Floor

5 Wilton Road

London

SW1V 1AN

Strategic report

For the year ended 31 March 2022

Review of development of the business and key performance indicators

Asset Link Capital (No 3) Limited ("the Company") ceased trading on 28 February 2018, when the Company disposed of the economic beneficial interest in all of its assets, comprising charged-off consumer receivables portfolios. However, it continues to hold legal title.

The Company generated no profit or loss in the year (year to 31 March 2021: nil).

The Company is now considered to be dormant. Consequently, the directors have dispensed with the requirement for a statutory audit.

Future developments

No further debt purchases are expected to be made following the disposal of the Company's portfolios. The Company is now considered to be dormant.

Principal risks and uncertainties

Due to the Company's dormant state there are not considered to be any principal risks and uncertainties facing the Company as at the end of the year.

Going concern

The directors have considered all relevant information covering at least twelve months from the date of approval of the financial statements and have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Political donations

No political donations were made by the Company during the current or prior year.

On behalf of the Board



A R Cloake

Director

Directors' report

For the year ended 31 March 2022

The directors present their report and the financial statements of the Company for the year ended 31 March 2022.

Information on going concern and future developments can be found in the Strategic report.

Results and dividends

The financial statements for the year ended 31 March 2022 are set out on pages 5 to 15. The result for the financial year was £nil (year ended 31 March 2021: nil).

The directors do not recommend the payment of a dividend for the year (year ended 31 March 2021: £nil) and the result for the year has been transferred to reserves.

Directors and their interests

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

A R Cloake
H Shah

Throughout the year, the Company, through a group-wide policy, maintained appropriate insurance cover to protect the directors from liabilities that may arise against them personally in connection with the performance of their role.

Risk Management

For the company's Risk Management policies please refer to Note 7 of the financial statements.

Employment policy

The Company has no employees (31 March 2021: nil).

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements 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 company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' report (continued)

For the year ended 31 March 2022

Statement of directors' responsibilities in respect of the financial statements (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Small Companies Provisions

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

On behalf of the Board



A R Cloake

Director

Income statement**for the year ended 31 March 2022**

		For the year ended 31 March 2022 £'000	For the year ended 31 March 2021 £'000
	Note		
Interest income		-	-
Interest expense and similar charges		-	-
		<u>-</u>	<u>-</u>
Net income		-	-
Distribution expense		-	-
		<u>-</u>	<u>-</u>
Operating result		-	-
Write-off of tax receivable		-	-
		<u>-</u>	<u>-</u>
Result before income tax		-	-
Income tax expense	5	-	-
		<u>-</u>	<u>-</u>
Result and total comprehensive expense for the year		<u>-</u>	<u>-</u>

The Company has not traded during the current or prior year. During the current year, the Company received no income and incurred no expenditure and therefore made neither a profit nor a loss.

A statement of comprehensive income has not been prepared as there was no other comprehensive income for the year.

The notes on pages 9 to 15 are an integral part of these financial statements.

Statement of financial position**As at 31 March 2022**

		As at 31 March 2022 £'000	As at 31 March 2021 £'000
	Note		
<i>Current assets</i>			
Corporation tax receivable	6	-	-
		-	-
		-	-
Net current assets		-	-
		-	-
Total assets less current liabilities		-	-
		-	-
<i>Net assets</i>		-	-
		-	-
<i>Equity</i>			
Called up share capital	8	-	-
Retained earnings		-	-
		-	-
Total equity		-	-
		-	-

For the year ending 31 March 2022 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies. The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 9 to 15 are an integral part of these financial statements.

The financial statements on pages 5 to 15 were approved and authorised for issue by the Board of directors on 24 November 2022 and signed on its behalf A R Cloake.



A R Cloake
Director

Statement of changes in equity

For the year ended 31 March 2022

	Called up share capital	Retained earnings	Total
	£'000	£'000	£'000
Balance as at 1 April 2020	-	-	-
Loss and total comprehensive expense for the year	-	-	-
Balance as at 31 March 2021	-	-	-
Balance as at 1 April 2021	-	-	-
Result for the year	-	-	-
Balance as at 31 March 2022	-	-	-

The notes on pages 9 to 15 are an integral part of these financial statements.

Statement of cash flows

For the year ended 31 March 2022

	For the year ended 31 March 2022 £'000	For the year ended 31 March 2021 £'000
<u>Operating activities</u>		
Operating result	-	-
Adjustments:		
Interest income	-	-
Write-off of tax receivable	-	-
Interest on derivative financial instruments	-	-
Decrease in trade and other receivables	-	-
Decrease in trade and other payables	-	-
Decrease in intercompany receivable	-	-
	<u>-</u>	<u>-</u>
Cash generated from operations	-	-
Interest paid on derivative financial instruments	-	-
	<u>-</u>	<u>-</u>
Net cash flows before financing and investing activities	-	-
<u>Investing activities</u>		
Proceeds from the disposal of financial assets held at amortised cost	-	-
	<u>-</u>	<u>-</u>
Net cash flows before financing activities	-	-
<u>Financing activities</u>		
Payments made on derivative financial instruments	-	-
	<u>-</u>	<u>-</u>
Net cash used in financing activities	-	-
Net decrease in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	<u>-</u>	<u>-</u>

Notes to the financial statements

For the year ended 31 March 2022

1. General information

Asset Link Capital (No 3) Limited ("the Company") is a private company and limited by shares incorporated and domiciled in the United Kingdom under the Companies Acts 2006. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Business Review on page 2.

These financial statements are presented in Pound Sterling because that is the currency of the primary economic environment in which the Company operates, which is also the Company's functional currency.

2. Significant accounting policies

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.

Basis of preparation

The financial statements of Asset Link Capital (No 3) Limited have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) interpretations as adopted by the European Union and with the Companies Act 2006 as applicable to companies reporting under IFRS.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Business Review section of the Strategic Report on page 2.

The Company no longer actively trades and is therefore considered to be dormant. However, the Company is assessed to be a going concern as it has the support of its ultimate parent, LC Financial Holdings Limited.

Changes in accounting policy and disclosures

No new accounting standards, amendments to accounting standards or IFRIC interpretations that are effective for the year ended 31 March 2022, have had a material impact on the financial statements.

Notes to the financial statements (continued)

For the year ended 31 March 2022

2. Significant accounting policies (continued)

Financial assets

Classification

The Company classifies its financial assets as loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivables comprise portfolios, intercompany receivables, trade and other receivables, and cash and cash equivalents in the statement of financial position.

Recognition and measurement

Trade and other receivables

Trade receivables are recognised on the date they become due, initially measured at fair value and subsequently carried at the amount due as at the balance sheet, as the effect of discounting is immaterial.

Other receivables are recognised on the date they become due, initially measured at fair value and subsequently carried at amortised cost using the effective interest method on an accruals basis.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Notes to the financial statements (continued)

For the year ended 31 March 2022

2. Significant accounting policies (continued)

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the statement of comprehensive income.

Distribution expense

Distribution expenses comprise collection-related portfolio servicing fees and are recognised when incurred.

Foreign currencies

The financial statements are presented in Pound Sterling (£'000) which is the currency of the primary economic environment in which the Company operates (its functional currency).

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3. Critical accounting estimates and judgements

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company no longer actively trades and as such has a simple set of financial statements which require minimal estimates and judgements.

Notes to the financial statements (continued)**For the year ended 31 March 2022****4. Directors' emoluments and employee costs**

The directors of the Company are also directors or employees of other companies within the Link Financial Group. These directors do not receive any remuneration for their services to the Company (year ended 31 March 2021: nil). The Company had no employees in the current or prior financial year.

5. Income tax expense

(a) Tax on result	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
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Current tax:

UK Corporation tax on at 19.00% (year ended 31 March 2021: 19.00%)

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Total tax charge for the year

-

-

(b) Factors affecting tax charge for the year

The charge for the year can be reconciled to the result per the statement of comprehensive income as follows:

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Result before income tax	-	-
Tax on result at statutory rate (19.00%, year ended 31 March 2021: 19.00%)	-	-
<i>Effect of:</i>		
Expenses not deductible	-	-
Total tax charge for the year	-	-

The Finance Bill 2016 enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020. However, the Finance Bill 2020 amended this provision and kept the Corporation Tax Rate at 19%.

Notes to the financial statements (continued)

For the year ended 31 March 2022

6. Corporation tax receivable

	At 31 March 2022 £'000	At 31 March 2021 £'000
<i>Current</i>		
Corporation tax receivable	-	-

The fair value of all trade and other receivables is deemed to be equal to their carrying value at the balance sheet date.

7. Financial assets and liabilities: Risk Management

The Company is now considered dormant and therefore has no financial assets or financial liabilities.

The Company is not exposed to credit risk or liquidity risk. The Company's board of directors oversees the management of these risks, ensuring that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company policies and Company risk appetite. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Capital management

The Company's objective when managing capital is to enable the ongoing trade and expansions of its operations and to safeguard its ability to continue as a going concern in order to provide returns for shareholders, provide benefits for other stakeholders and to maintain an optimal capital structure.

Capital employed by the Company is equity from shareholders and working capital management through trade receivables and payables. There were no changes in the Company's approach to capital management during the year. The funding requirements of the Company are met by cash generated from operations.

Notes to the financial statements (continued)

For the year ended 31 March 2022

8. Called up share capital

	At 31 March 2022 Number of shares	At 31 March 2021 Number of shares
Authorised shares		
Ordinary shares of £1 each	1	1
	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Ordinary shares of £1 each issued and fully paid		
At the beginning of the year	1	1
Issued during the year	-	-
At the end of the year	1	1

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital. Asset Link Capital (No 3) Limited is a private company limited by shares.

9. Related party transactions

There were no related party transactions during the current or prior years.

10. Standards issued but not yet effective

At the date of authorisation of these financial statements the following new standards, amendments and interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IAS 16 and IAS 38 (Amendments)	Clarification of acceptable methods of depreciation and amortisation
IFRS 10 and IAS 28 (Amendments)	Applying the consolidation exception
IAS 27 (Amendments)	Separate financial statements on equity method in separate financial statements
IAS 1 (Amendments)	Presentation of financial statements disclosure initiative
IAS 12 (Amendments)	Recognition of deferred taxes assets for unrealised losses

Notes to the financial statements (continued)

For the year ended 31 March 2022

10. Standards issued but not yet effective (continued)

IAS 7 (Amendments)

Cash flows statements disclosure initiative

IFRS 2 (Amendments)

Classification and measurement of share-based payments and transactions.

These standards have not been early adopted by the Company.

11. Ultimate parent undertaking and controlling party

The Company's immediate parent is Asset Link Capital 3 (Holdings) Limited, and the ultimate parent undertaking is LC Financial Holdings Limited, incorporated in Ireland.

There is no single controlling party,

The results of Asset Link Capital (No 3) Limited will be consolidated into the financial statements of LC Financial Holdings Limited, being the smallest and largest group of undertakings for which the group financial statements are drawn up. Copies of the consolidated financial statements are available from its registered office at Second Floor, Joshua Dawson House, Dawson Street, Dublin, D02 RY95.