

KIN AND CARTA PARTNERSHIPS LIMITED
UNAUDITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

THURSDAY



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COMPANIES HOUSE

KIN AND CARTA PARTNERSHIPS LIMITED

COMPANY INFORMATION

Directors	A O Detrois G C Kutsor D P Telling D Tuck K Manthey (appointed 17 August 2022)
Company secretary	D Fattal
Registered number	09569438
Registered office	The Spitfire Building 71 Collier Street London N1 9BE

KIN AND CARTA PARTNERSHIPS LIMITED

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KIN AND CARTA PARTNERSHIPS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2022

Strategic Report

The Directors present the Strategic Report, their Directors' Report and the unaudited financial statements for the year ended 31 July 2022 ("the financial year" or "year"). Comparative figures are for the year ended 31 July 2021 ("2021"). The Directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

Principal Activities

Kin and Carta Partnerships Limited ("the Company") is a wholly-owned subsidiary of Kin and Carta plc (together, Kin and Carta plc and its subsidiaries are "the Group"). The Company provides specialist cloud transformation technology in partnership with other digital transformation companies. There have not been any significant changes in the Company's principal activities in the period under review.

The Directors are not aware, at the date of this Report, of any likely major changes in the Company's activities in the next financial period.

Business review and key performance indicators

The Company's loss for the period after tax, as shown in the Statement of Comprehensive Income on page 5 of the financial statements, amounted to £13,293 (2021: profit of £483,221).

The balance sheet on page 6 of the financial statements shows that the Company's financial position at the year end is a net liabilities position of £440,985 (2021: £427,692).

The Company has elected to take the exemption relating to disclosure of Key Performance Indicators, detailed within Companies Act 2006 section 414, since these relate to non-financial information.

Principal risks and uncertainties

The Company is vulnerable to the effect of poor economic conditions, which could inhibit growth and create uncertainty. Whilst the Company does have long term contracts with clients, the level of spend is predominantly at the client's discretion rather than being derived from guaranteed sales volumes.

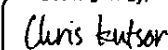
This risk is mitigated by diversification into markets that are capable of delivering profit growth. The Company continually reviews its cost base and seeks to secure long-term client relationships. The Directors regularly review performance of the Company against its forecasts and budget and implement timely remedial action, where needed.

Competitive pressure in the UK is a continuing risk for the Company, which could result in a loss of sales to competitors. The Company manages this risk by providing added value, cross-selling services from other Group companies to its clients, achieving or exceeding service level agreements and by maintaining strong relationships with clients.

Further risks that affect the Company and the Group are discussed in the 2022 Kin and Carta plc Annual Report and Accounts.

This report was approved by the Board and signed by its order by:

DocuSigned by:



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G C Kutsor

Director

Date: 25 April 2023

KIN AND CARTA PARTNERSHIPS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2022**

The Directors present their report and the financial statements for the year ended 31 July 2022.

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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

Results and dividends

The loss for the year, after taxation, amounted to £13,293 (2021: profit of £483,221).

The Directors do not recommend the payment of a final dividend (2021: *£nil*).

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

A O Detrois
G C Kutsor
J Schwan (resigned 31 July 2022)
D P Telling
D Tuck
K Manthey (appointed 17 August 2022)

KIN AND CARTA PARTNERSHIPS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

Financial risk management objectives and policies

The Company's activities expose it to financial risks including credit risk, liquidity risk and foreign exchange risk.

The Company's principal financial assets are cash at bank and debtors, which represent the Company's maximum exposure to credit risk in relation to financial assets. The Company's credit risk is primarily attributable to its trade debtors. *The amounts presented in the Company's Balance Sheet are net of allowances for doubtful debtors estimated based on prior experience and the assessment of the current economic environment.*

In determining the recoverability of trade debtors, the Company considers any change in the quality of the trade debtors from the date the credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the Company's credit insurance arrangements.

The Company has access to the Group's multi-currency facility ("RCF") of £85 million, through other Group companies. The RCF was renewed by the Group in September 2021, up to September 2025. Following the year end, this facility was extended for a further 12 months to September 2026. The Group's policy is to maintain flexibility with respect to its liquidity position, by utilising short-term cash deposits and, where necessary, short-term bank borrowings for working capital and longer-term borrowings for capital expenditure requirements.

The Group enters into forward foreign exchange contracts from time to time in order to cover the Company's specific foreign currency payments and receipts and to manage the risk associated with anticipated sale and purchase transactions. The Company does not use derivative financial instruments for speculative purposes.

Future Developments

The Directors are not planning to make any significant changes to the Company's principal activities.

Directors' indemnities

The ultimate parent Company has made qualifying third party indemnity provisions for the benefit of certain Directors, which remained in force in the period and at the date of this report.

KIN AND CARTA PARTNERSHIPS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

Employment policies

The Group, including the Company, are committed to equality, fair practices and human rights to make the world work better. As a responsible business, the Group and Company must operate legally, ethically and with integrity to deliver high-quality equitable and sustainable service to its stakeholders and employees. There are several policies in place to achieve this. Refer to pages 88 to 92 of the 2022 Kin and Carta plc Annual Report.

Employees' rights to fair and equitable treatment at work are protected through anti-harassment and anti-discrimination policies, which ensure the Group provides an equitable working environment. To go further and create a foundation of equity and inclusion that deliberately unbundles systemic constraints that exist within our society, a Group-wide Inclusion, Diversity, Equity and Awareness ("IDEA") framework has been developed that includes an IDEA Vision.

Grounded in the IDEA and Anti-Harassment, Discrimination and Bullying policies, there are embedded practices to embrace and encourage Kin's differences, such as age, sex, disability, gender identity, medical conditions, race, religion and sexual orientation, to ensure no one receives less favourable treatment on the grounds of those characteristics. For example, interviewers are trained in unconscious bias and fair hiring practices and make reasonable adjustments to support employees' physical and mental wellbeing needs. Employees who become disabled during their working life will remain in employment wherever possible, and will be assisted with occupational rehabilitation and retraining. Wherever practicable, Kin + Carta will modify procedures or equipment to maximise an individual's full capabilities. Refer to page 70 of the 2022 Kin and Carta plc Annual Report.

Further details of the Group's and Company's values and culture are on pages 40 and 43 of the 2022 Kin and Carta plc Annual Report.

Environment

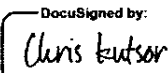
The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the Group's activities. The Company operates in accordance with Group policies, which are described in the 2022 Kin and Carta plc Annual Report and Accounts.

Going concern

At 31 July 2022, the Company was in a net liabilities position (2021: net liabilities position).

After the enquiries made of the Directors of Kin and Carta plc, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future as Kin and Carta plc and its relevant subsidiaries will be able to financially support the Company if there is need. On that basis, the Directors of the Company continue to adopt the going concern basis of accounting in preparing these financial statements.

This report was approved by the Board and signed by its order by:

DocuSigned by:

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G C Kutsor
Director
Date: 25 April 2023

KIN AND CARTA PARTNERSHIPS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2022**

	Note	2022 £	2021 £
Turnover	4	2,591,134	2,864,528
Cost of sales		(1,233,554)	(825,954)
Gross profit		1,357,580	2,038,574
Selling expenses		(1,290,777)	(1,303,455)
Administrative expenses		(62,444)	(64,828)
Operating profit		4,359	670,291
Interest payable	7	(1,278)	(8,452)
Profit before tax		3,081	661,839
Tax on profit	8	(16,374)	(178,618)
Loss for the financial year		(13,293)	483,221
Total comprehensive expense for the year		(13,293)	483,221

The notes on pages 8 to 18 form part of these financial statements.

KIN AND CARTA PARTNERSHIPS LIMITED
REGISTERED NUMBER: 09569438

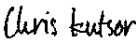
BALANCE SHEET
AS AT 31 JULY 2022

		2022	2021
	Note	£	£
Current assets			
Debtors: amounts falling due after more than one year	9	561	435
Debtors: amounts falling due within one year	9	556,287	278,406
Cash at bank and in hand		57,416	225,062
		<u>613,703</u>	<u>503,468</u>
Creditors: amounts falling due within one year	10	<u>(1,055,249)</u>	<u>(931,595)</u>
Total assets less current liabilities		<u>(440,985)</u>	<u>(427,692)</u>
Net liabilities		<u>(440,985)</u>	<u>(427,692)</u>
Capital and reserves			
Called up share capital	12	2	2
Accumulated deficit	13	(440,987)	(427,694)
		<u>(440,985)</u>	<u>(427,692)</u>

The Directors:

- a) Confirm that the Company was entitled to exemption under section 479A of the Companies Act 2006 relating to subsidiary companies from the requirement to have its financial statements for the financial year ended 31 July 2022 audited;
- b) Confirm that members have not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476 of the Companies Act 2006; and
- c) Acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

DocuSigned by:

 FESD1562344A478
G C Kutsor
 Director
 Date: 25 April 2023

The notes on pages 8 to 18 form part of these financial statements.

KIM AND CARTA PARTNERSHIPS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2022**

	Called up share capital £	Accumulated deficit £	Total equity £
At 1 August 2021	2	(427,694)	(427,692)
Comprehensive income for the year			
Loss for the year	-	(13,293)	(13,293)
At 31 July 2022	2	(440,987)	(440,985)

The notes on pages 8 to 18 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY FOR
THE YEAR ENDED 31 JULY 2021**

	Called up share capital £	Accumulated deficit £	Total equity £
At 1 August 2020	2	(910,915)	(910,913)
Comprehensive income for the year			
Profit for the year	-	483,221	483,221
At 31 July 2021	2	(427,694)	(427,692)

The notes on pages 8 to 18 form part of these financial statements.

KIN AND CARTA PARTNERSHIPS LIMITED

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

1. General information

Kin and Carta Partnerships Limited is a private company limited by shares, incorporated and domiciled in England and Wales. The address of the registered office is The Spitfire Building, 71 Collier Street, London, England, N1 9BE. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 1.

The financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

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 Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

KIN AND CARTA PARTNERSHIPS LIMITED

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

2. Accounting policies (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

2.3 Going concern

At 31 July 2022, the Company was in a net liabilities position (2021: net liabilities position).

After enquiries made of the Directors of Kin and Carta plc, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future as Kin and Carta plc and its relevant subsidiaries will be able to financially support the Company if there is need. On that basis, the Directors of the Company continue to adopt the going concern basis of accounting in preparing these financial statements.

2.4 Foreign currency translation

The transactions of the Company denominated in foreign currencies are translated into Sterling at the rate ruling at the date of the transaction. Amounts receivable and payable denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Exchange differences are included in the profit on ordinary activities before tax.

KIN AND CARTA PARTNERSHIPS LIMITED

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

2. Accounting policies (continued)

2.5 Revenue

Revenue from supply of goods and services is measured at the fair value of consideration received or receivable and comprises amounts receivable for goods and services, net of trade discounts, up-front payments, VAT and other sales-related taxes.

Revenue is recognised once contractual performance obligations have been delivered, in accordance with the terms of the contractual agreement. Contracts can have a single or series of different deliverables and over time, revenue is recognised as each contractual obligation is satisfied.

For services performed, on time basis, i.e. where the terms of the contract have provision for licensing the product on a subscription basis, revenue is recognised evenly over the period of contractual term as the performance obligations are satisfied evenly over the term of subscription. Generally, the performance obligations are satisfied over time as service are rendered.

For services that are linked to delivering of goods to fulfil the contract, revenue is recognised when the goods are delivered, in line with meeting the contractual and performance obligations. The goods can be delivered in full or in-part quantities.

For performance obligations that are satisfied over time, the Company uses either input or output methods, to measure progress for each performance obligation, depending on the particular arrangement. In the majority of cases, relevant output measures such as the completion of project milestones set out in the contract are used to assess proportional performance. Where this is not the case then an input method based on costs incurred to date is used to measure performance. The primary input of substantially all work performed is represented by staff costs. As a result of the relationship between labour and cost there is normally a direct correlation between costs incurred and the proportion of the contract performed to date.

Accrued and deferred income

Accrued income is a contract asset and is recognised when a performance obligation has been satisfied but has not yet been billed. Contract assets are transferred to receivables when the right to consideration is unconditional and billed per the terms of the contractual agreement. In certain cases, payments are received from customers prior to satisfaction of performance obligations and recognised as deferred income on the Company's Balance Sheet. These balances are considered contract liabilities and are typically related to prepayments for third party expenses that are incurred shortly after billing.

2.6 Interest expense

Bank Interest is accounted for on an accrual basis in the Statement of Comprehensive Income. The finance cost is charged to the Statement of Comprehensive Income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.7 Pensions

The Company operates defined contribution schemes for the benefit of its employees. In accordance with IAS 19, contributions payable are charged to the Statement of Comprehensive Income during the period in which they are payable. Differences between contributions payable at the period end and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

KIN AND CARTA PARTNERSHIPS LIMITED

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

2. Accounting policies (continued)

2.8 Share based payments

Kin and Carta plc makes equity-settled share-based payments to certain employees of the Company, which are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest. The fair value of share options issued is measured using a binomial model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, behavioural considerations and the number of equity instruments expected to vest at the balance sheet date.

The Company's employees are eligible to participate in a Group all-employee share option scheme, the Save As You Earn ("SAYE") scheme. Participants in the SAYE scheme are granted options over shares of Kin and Carta plc (ultimate parent company) at a discount to the market value determined at grant. The savings contract is for a period of three years. If the options are unexercised six months after the maturity date, the options lapse. Where Kin and Carta plc (ultimate parent company) has granted rights to its equity instruments to employees of the Company, such arrangements are accounted for as equity-settled share-based payment arrangements. Where relevant a capital contribution is recognised throughout the vesting period of such share based payments in the Company's accounts.

2.9 Current and deferred taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Where the Company surrenders tax losses for the purposes of Group Relief, the Group's policy is to make a payment to the Company for the full amount of tax saved. This amount is recognised in the Statement of Comprehensive Income as a credit to tax on ordinary activities.

Deferred tax is provided in full on temporary differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Temporary differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2.10 Debtors

All trade receivables held by the Company are financial assets held within a business model whose objective is to hold financial assets in order to collect the contractual cash flows. Trade receivables are initially recognised at historic value and will subsequently be measured at amortised cost less allowances for impairment.

The Company recognises a loss allowance for expected credit losses ('ECL') on trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Company recognises expected credit losses for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors.

KIN AND CARTA PARTNERSHIPS LIMITED

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

2. Accounting policies (continued)

2.11 Cash at bank

Cash at bank comprises demand deposits.

2.12 Creditors

Trade creditors are not interest bearing and are stated at their nominal value.

2.13 Financial instruments

The Company recognises financial instruments when it became a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments are explained below.

(a) Financial Assets

The Company recognised amounts owed by Group undertakings at amortised cost. Amounts owed by Group undertakings are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of intra-group funding and services. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The Company recognises a loss allowance for expected credit losses ('ECL') on trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Company recognises expected credit losses for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors.

(b) Financial liabilities

The Company classifies its financial liabilities as financial liabilities at amortised cost. Financial liabilities at amortised cost include intercompany loans which are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method.

Trade creditors are not interest bearing and are stated at their nominal value.

Financial assets and financial liabilities are initially measured at fair value.

KIM AND CARTA PARTNERSHIPS LIMITED

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

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Critical accounting judgements:

Revenue recognition

Revenue recognition assessing at what point contractual performance obligations have been delivered, in accordance with the terms of the contractual agreement.

Key sources of estimation uncertainty:

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4. Turnover

	2022	2021
	£	£
Rendering of services	2,591,134	2,864,528
Turnover	2,591,134	2,864,528
	2022	2021
	£	£
United Kingdom	2,523,050	2,846,965
Rest of the world	36,669	-
United States of America	31,415	17,563
	2,591,134	2,864,528

The Directors consider that the Company has only one class of business in the current and prior period and consequently no further analysis of revenue is given.

KIN AND CARTA PARTNERSHIPS LIMITED

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

5. Employees

	2022	2021
	£	£
Wages and salaries	1,315,349	1,096,650
Social security costs	37,014	48,790
Defined contribution pension scheme	25,382	27,189
	<u>1,377,745</u>	<u>1,172,629</u>

The Company participates in a number of share-based payment schemes operated by Kin and Carta plc. Details on the schemes are included in the 2022 Kin and Carta plc Annual Report and Accounts which does not form part of these financial statements.

The average monthly number of employees, including the Directors, during the year was as follows:

	2022	2021
	Number	Number
Sales	<u>5</u>	<u>6</u>

6. Directors

During the year and the prior period, all Directors were remunerated by other Group companies for their services to the Group as a whole and it is not practicable to apportion their remuneration between the companies of which they are a Director. Consequently, no Directors' remuneration is shown.

7. Interest payable

	2022	2021
	£	£
Bank Interest	<u>1,278</u>	<u>8,452</u>
	<u>1,278</u>	<u>8,452</u>

KIN AND CARTA PARTNERSHIPS LIMITED

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

8. Tax on profit

	2022	2021
	£	£
Corporation tax:		
Current tax on profit for the year	580	125,850
Adjustments in respect of prior years	15,920	52,933
Total current tax charge	16,500	178,783
Deferred tax:		
Origination and reversal of timing differences	(129)	(100)
Adjustments in respect of prior years	3	(65)
Total deferred tax credit	(126)	(165)
Tax on profit	16,374	178,618

Factors affecting tax charge for the year

The tax credit assessed for the year is lower than (2021: *higher than*) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022	2021
	£	£
Profit before tax	3,081	661,839
Profit multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	585	125,749
Effects of:		
Adjustments in respect of prior years	15,923	52,869
Effect of change in tax rate	(135)	-
Total tax (credit)/charge for the year	16,374	178,618

Deferred tax balances have been calculated at 25% given the UK statutory rate is due to rise to this level during 2023.

KIN AND CARTA PARTNERSHIPS LIMITED

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

9. Debtors

	2022	2021
	£	£
Debtors: amounts falling due after one year		
Deferred tax asset (note 11)	561	435
	<u>561</u>	<u>435</u>
Debtors: amounts falling due within one year		
Trade debtors	211,684	27,177
Amounts owed by Group undertakings	273,518	199,752
Prepayments and accrued income	71,085	51,477
	<u>556,287</u>	<u>278,406</u>

Amounts owed by Group undertakings are interest free, unsecured and are repayable on demand.

10. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	181,027	163,055
Amounts owed to Group undertakings	37,963	232,111
Corporation tax	196,380	179,880
Other taxation and social security	22,273	47,533
Accruals and deferred income	617,606	309,016
	<u>1,055,249</u>	<u>931,595</u>

Amounts owed to Group undertakings are interest free, unsecured and are repayable on demand.

KIN AND CARTA PARTNERSHIPS LIMITED

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

11. Deferred taxation

	2022	2021
	£	£
At beginning of the year	435	270
Credit to Statement of Comprehensive Income	126	165
At end of the year	561	435

The deferred tax asset is made up as follows:

	2022	2021
	£	£
Short term timing differences	561	435

12. Called up share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
2 (2021: 2) Ordinary shares of £1.00 each	2	2

The Company has one class of ordinary shares which carry no right to fixed income.

13. Accumulated deficit

	2022	2021
	£	£
Accumulated deficit	440,987	427,694

The Accumulated deficit represents the cumulative losses.

14. Related party transactions

The Company has taken advantage of the exemption granted by Financial Reporting Standard 101 not to disclose transactions with Kin and Carta plc or its wholly-owned subsidiary undertakings.

KIN AND CARTA PARTNERSHIPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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15. Ultimate parent company and controlling party

The Company's immediate parent company and controlling party is Kin and Carta Group Limited, a company incorporated and registered in England and Wales. The ultimate parent company and controlling party is Kin and Carta plc, a company also incorporated and registered in England and Wales. Copies of the financial statements of Kin and Carta plc and Kin and Carta Group Limited can be obtained from the Company Secretary at the registered office at The Spitfire Building, 71 Collier Street, London, England, N1 9BE.

The smallest and largest group in which the results of the Company are consolidated is that headed by Kin and Carta plc.