

# Frontend Guide: Implementing the LLP/SPV Workflow

This guide outlines the sequence of API calls required to manage an LLP (or SPV) investment, from creation to the final distribution of returns.

## Workflow Overview

The lifecycle of an LLP investment involves four main steps: 1. **Create the LLP:** Define the investment group. 2. **Add Investors:** Assign members to the LLP. 3. **Fund the LLP:** Record the capital contributions from members. 4. **Distribute Returns:** After the LLP's investment is sold, calculate and log the payout to each member.

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### Step 1: Create the LLP Group

First, you need to create the LLP itself. This is done by creating an "Investor Group" with the type set to SPV.

- **Endpoint:** POST /investor-groups/
  - **Purpose:** To create the container for the LLP.
  - **Request Body:** `json { "name": "Quantum Innovations SPV", "group_type": "SPV" }`
  - **What to Save:** The id from the response. This is your `llp_group_id` for all future steps.
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### Step 2: Add Investors to the LLP

Once the LLP group is created, you need to assign investors to it. You can do this in bulk.

- **Endpoint:** POST /investor-groups/{llp\_group\_id}/add-investors
  - **Purpose:** To link existing investor records to the LLP.
  - **Request Body:** `json { "investor_ids": [15, 22, 31] }` (Where 15, 22, and 31 are the IDs of investors that already exist in the system).
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### Step 3: Fund the LLP (Capital Call)

This is where you record the amount of money each investor contributes to the LLP's investment pool.

- **Endpoint:** POST /llps/{llp\_group\_id}/fund
- **Purpose:** To log the cash contributions from each member.
- **Request Body:** `json { "contributions": [ { "investor_id": 15, "amount":`

```

500000      }, { "investor_id":
22,        "amount": 250000    },
{          "investor_id": 31,    "amount":
250000      }    ]    }

```

- **Result:** The backend now knows the LLP has raised a total of 1,000,000.

**Note:** After this, an administrator will use the standard `POST /transactions/` endpoint to make the LLP's actual investment, using a special "Investor" record that represents the LLP entity. The frontend does not need to be involved in this step.

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## Step 4: Distribute Returns (The Final Payout)

This is the final step after the LLP has sold its investment and received cash. The backend will perform all the complex tax and pro-rata calculations.

- **Endpoint:** `POST /llps/{llp_group_id}/distribute-returns`
- **Purpose:** To trigger the final calculation and payout logging.
- **Request Body:** You need to provide four key pieces of information:
 

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json { "total_cashed_out_amount": 1500000,
"llp_investment_date": "2022-01-20",
"llp_cash_out_date": "2025-03-15", "llp_investor_id":
51, "investment_security_id": 7 }

```

  - `total_cashed_out_amount`: The total money the LLP got back from its sale.
  - `llp_investment_date`: The date the LLP originally bought the shares.
  - `llp_cash_out_date`: The date the LLP sold the shares.
  - `llp_investor_id`: The ID of the special "Investor" record that represents the LLP itself.
  - `investment_security_id`: The ID of the security the LLP sold.
- **What Happens:** The backend will:
  1. Calculate the holding period (long-term vs. short-term).
  2. Apply the correct tax rate (12.5% or 30%) to the profit.
  3. Calculate the final net amount to be distributed.
  4. Calculate each investor's share of that net amount.
  5. Log everything in the database.
- **Response:** You will get back a detailed summary of the distribution, which you can display to the user.

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{
  "llp_group_id": 10,

```

```
"llp_group_name": "Quantum Innovations SPV",
"total_capital_raised": 1000000,
"total_cashed_out_amount": 1500000,
"total_gain": 500000,
"holding_period_months": 37,
"applied_tax_rate": 0.125,
"total_tax_paid": 62500,
"total_net_distribution": 1437500,
"investor_distributions": [
  {
    "investor_id": 15,
    "investor_name": "Investor A",
    "pro_rata_share": 0.5,
    "gross_return": 750000,
    "net_return_after_tax": 718750
  },
  // ... other investors
]
}
```