

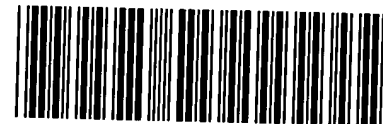
Registered number: 04846209

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	G M Langlay-Smith T J Munn J A Thornton H J Inglin S Maechler G E A King
Registered number	04846209
Registered office	55 Wells Street London W1T 3PT
Independent auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
Bankers	The Royal Bank of Scotland 28 Cavendish Square London W1G 0DB Santander Corporate Banking 100 Ludgate Hill London EC4M 7RE

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

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MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The directors present the Strategic Report for the year ended 31 December 2021.

Business review

The Company's financial statements have been prepared in accordance with Financial Reporting Standard 101: Reduced Disclosure Framework ('FRS101').

The results of the Company are set out on page 9. The Company's profit after tax for the period was £328,086 (2020: £179,248 loss). No interim dividend was paid during the year (2020: £nil). The directors do not recommend the payment of a final dividend (2020: £nil).

The financial position of the Company is presented in the Balance Sheet on pages 10-11. Total equity as at 31 December 2021 was £5,218,395 (2020: £4,890,309).

The UK started 2021 in lockdown with similar trading conditions to those experienced in the second half of 2020. However the successful roll-out of the vaccination program in the UK meant that as 2021 progressed restrictions previously imposed by the UK government were gradually lifted. Subsequently there was a significant uptick in economic activity which was seen in the UK commercial property market. The general reduction in uncertainty combined with higher occupational demand especially in the logistics and high-grade office sectors lead to a large increase in transactional activity and property valuations were reflective of this.

As a manager of property investment funds, the return to almost pre-pandemic economic conditions also directly benefitted the company. Total assets under management (AUM) managed by the company increased during the year due to valuation growth and net investor subscriptions. As such management fees billed increased compared to the previous year. The Company also saw a significant increase in transactional activity, largely due to the funds ability to take advantage of attractive pricing in a number of key property sectors. As a result, transaction fees billed were significantly higher than in the previous year.

Principal risks and uncertainties

The Company's revenue is generated through providing fund management, property advisory and asset management services to the investment funds managed or advised by the Company and to other clients. A reduction in the AUM of these funds whether through valuation falls or investor capital withdrawal would have a direct impact on the Company's revenue base. As such the principal risks to the Company are a drop in capital values of UK property, whether by a general economic decline or a downturn in the UK commercial property market. The Directors believe the Company continues to minimise these risks by maintaining strict investment criteria, ensuring ongoing property monitoring and subsequent portfolio repositioning where necessary.

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Key performance indicators

The directors consider profit after tax to be the most important performance indicator, as outlined above. Linked to this they also consider AUM of the underlying investment funds to be a key indicator of performance. Total AUM as at 31 December 2021 was £2.2bn (2020: £1.9bn).

Section 172(1) statement

The Directors have acted in a way that they consider, in good faith, to be most likely to promote the success of the Company for the benefit of its sole shareholder, and in doing so had regard, amongst other matters, to:

- the likely consequences of decisions in the long term;
- the interests of employees;
- the need to foster business relationships with suppliers, clients and others;
- the impact of operations on the community and the environment;
- the desirability of maintaining a reputation for high standards of business conduct; and
- to act fairly between members of the Company.

The Directors also took into account the views and interests of a wider set of stakeholders, including the Company's regulators, the Government, and non-governmental organisations.

Considering this broad range of interests is an important part of the way the Board makes decisions, however, in balancing those different perspectives it won't always be possible to deliver everyone's desired outcome.

The Board will sometimes engage directly with certain stakeholders on certain issues. The Board considers and discusses information from across the organisation to help it understand the impact of Company's operations, and the interests and views of our key stakeholders. It also reviews strategy, financial and operation performance, as well as information covering areas such as key risks, and legal and regulatory compliance.

As a result of these activities, the Board has an overview of engagement with stakeholders, and other relevant factors, which enables the Directors to comply with their legal duty under Section 172 of the Companies Act 2006.

This report was approved by the board on 27 April 2022 and signed on its behalf.



.....
G E A King
Director

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the audited financial statements for the year ended 31 December 2021.

Principal activities

The Company's principal activity is to act as an investment property fund manager.

Results and dividends

The profit for the year, after taxation, amounted to £328,086 (2020 - loss £179,248).

No interim dividend was paid during the year (2020: £nil). The directors do not recommend the payment of a final dividend (2020: £nil).

Directors

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

G M Langlay-Smith
T J Munn
J A Thornton
H J Inglin
S Maechler
G E A King

Going concern

The Directors have considered the application of the going concern basis of accounting and believe that, for the foreseeable future, the Company will have adequate resources to meet its liabilities as they fall due. In making this assessment, the Directors have considered the current and projected cash balance taking into account forecast income and expenses for the 12 months post the signing of these financial statements.

In addition, consideration has been given to the ongoing impact of COVID-19 across the Company's operations and different scenarios have been modelled, the most severe being operating income remaining flat at the 2021 level for the foreseeable future. This scenario has been modelled alongside the Company's ability to control variable costs. Based on this assessment, the Directors are still satisfied that the impact can be managed and therefore the Company is well placed to manage business risks and to continue in operational existence for the foreseeable future, on a stand alone basis.

On the basis described above, the Directors consider it appropriate to adopt the going concern basis in preparing the financial statements.

It should also be noted that supporting the above, Swiss Life Investment Management Holding AG, the Company's immediate parent and controlling party have provided confirmation that, in the event it is required, it will provide financial support to enable the Company to continue in operational existence and meet its liabilities as they fall due over the period of at least 12 months from the date of signing of these financial statements.

Future developments

The Company's strategy is to continue growing AUM whilst contributing to the growth in the wider pan European Swiss Life business.

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Qualifying third party indemnity provisions

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company also has adequate Directors' and Officers liability insurance as it is covered under the Swiss Life Group policy.

Post balance sheet events

There are no post balance sheet events requiring disclosure in these financial statements.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



G E A King
Director

Date: 27 April 2022

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 United Kingdom Accounting Standards, comprising FRS 101 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 responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board 27 April 2022



.....
G E A King
Director

Independent auditors' report to the members of Mayfair Capital Investment Management Limited

Report on the audit of the financial statements

Opinion

In our opinion, Mayfair Capital Investment Management Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2021; the statement of comprehensive income, and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 company'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.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to FCA regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial

statements such as the Companies Act 2006 and tax regulations. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates and manipulation of revenue via manual journals. Audit procedures performed by the engagement team included:

- Discussions with management and those charged with governance, including consideration of any known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing unusual journals posted to revenue and journals containing unusual words;
- Reviewing minutes of meetings of those charged with governance;
- Challenging assumptions made by management in determining their judgements and accounting estimates;
- Review of correspondence with the FCA;
- Designing audit procedures to incorporate unpredictability into our testing; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

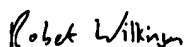
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Robert Wilkinson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
27 April 2022

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	4	10,204,346	8,574,030
Cost of sales		(269,840)	(258,091)
Gross profit		9,934,506	8,315,939
Administrative expenses		(9,470,833)	(8,458,393)
Other operating income	5	30,871	938
Operating profit/(loss)	6	494,544	(141,516)
Dividends received	10	15,000	30,000
Interest receivable and similar income	11	4,614	12,058
Interest payable and similar expenses	12	(104,286)	(116,836)
Profit/(loss) before taxation		409,872	(216,294)
Tax on profit/(loss)	13	(81,786)	37,046
Profit/(loss) for the financial year		328,086	(179,248)

There was no other comprehensive income/expense for the year.

The notes on pages 13 to 33 form part of these financial statements.

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED
REGISTERED NUMBER: 04846209

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Right of use asset	14	2,298,087	2,621,028
Tangible assets	15	453,865	477,273
Investments	16	25,004	25,004
		<u>2,776,956</u>	<u>3,123,305</u>
Current assets			
Debtors: amounts falling due after more than one year	17	25,003	35,482
Debtors: amounts falling due within one year	17	3,826,620	3,714,958
Cash at bank	18	4,082,609	3,871,653
		<u>7,934,232</u>	<u>7,622,093</u>
Creditors: amounts falling due within one year	19	(3,186,415)	(3,214,217)
Net current assets		<u>4,747,817</u>	<u>4,407,876</u>
Total assets less current liabilities		<u>7,524,773</u>	<u>7,531,181</u>
Creditors: amounts falling due after more than one year	20	(2,306,378)	(2,640,872)
		<u>5,218,395</u>	<u>4,890,309</u>
Net assets		<u><u>5,218,395</u></u>	<u><u>4,890,309</u></u>
Capital and reserves			
Called up share capital	22	22,123	22,123
Share premium account		544,005	544,005
Capital redemption reserve		6,152	6,152
Profit and loss account		4,646,115	4,318,029
		<u><u>5,218,395</u></u>	<u><u>4,890,309</u></u>

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED
REGISTERED NUMBER: 04846209

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The financial statements on pages 9-33 were approved and authorised for issue by the Board of directors and were signed on its behalf on 27 April 2022.



.....
G E A King
Director

The notes on pages 13 to 33 form part of these financial statements.

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED
REGISTERED NUMBER: 04846209

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2020	22,123	544,005	6,152	4,497,277	5,069,557
Comprehensive income for the year					
Loss for the financial year	-	-	-	(179,248)	(179,248)
Total comprehensive expense for the year	-	-	-	(179,248)	(179,248)
At 31 December 2020	22,123	544,005	6,152	4,318,029	4,890,309
Comprehensive income for the year					
Profit for the financial year	-	-	-	328,086	328,086
Total comprehensive income for the year	-	-	-	328,086	328,086
At 31 December 2021	22,123	544,005	6,152	4,646,115	5,218,395

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

The principal activity of the Company during the year was to act as an investment property fund manager.

The Company is a private limited Company (registered number 04846209) which is incorporated and domiciled in England. The address of the registered office and principal place of business is:

55 Wells Street
London
W1T 3PT

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.

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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 paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held For Sale and Discontinued Operations
- 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 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;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture
- 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
- The requirements of paragraphs 52 and 58 of IFRS 16 leases.

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Going concern

The Directors have considered the application of the going concern basis of accounting and believe that, for the foreseeable future, the Company will have adequate resources to meet its liabilities as they fall due. In making this assessment, the Directors have considered the current and projected cash balance taking into account forecast income and expenses for the 12 months post the signing of these financial statements.

In addition, consideration has been given to the ongoing impact of COVID-19 across the Company's operations and different scenarios have been modelled, the most severe being operating income remaining flat at the 2021 level for the foreseeable future. This scenario has been modelled alongside the Company's ability to control variable costs. Based on this assessment, the Directors are still satisfied that the impact can be managed and therefore the Company is well placed to manage business risks and to continue in operational existence for the foreseeable future, on a stand alone basis.

On the basis described above, the Directors consider it appropriate to adopt the going concern basis in preparing the financial statements.

It should also be noted that supporting the above, Swiss Life Investment Management Holding AG, the Company's immediate parent and controlling party have provided confirmation that, in the event it is required, it will provide financial support to enable the Company to continue in operational existence and meet its liabilities as they fall due over the period of at least 12 months from the date of signing of these financial statements.

2.4 Exemption from preparing consolidated financial statements

The company is a parent company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of a non-EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Revenue

Turnover comprises the fair value of the consideration received or receivable, net of value added tax. Turnover consists of management fees, advisory fees, administration fees, performance fees and transaction fees.

Revenue is recognised when:

- a contract with a customer can be identified
- the performance obligation can be identified
- the transaction price can be determined reliably
- the transaction price can be allocated to the performance obligation
- the performance obligation is satisfied

Revenue from management, advisory or administration fees are recognised in the accounting period in which the services are provided. Income earned not invoiced is included within accrued income. Accrued income is usually settled in the following quarter.

Revenue from performance fees is recognised upon meeting specific fund performance hurdles over the agreed time period and calculated in accordance with contractually agreed formula. Income earned not invoiced is included in accrued income and invoiced in the following quarter.

Transaction fees are one off transactions, linked to asset purchases, sales or the arrangement of investment loans. Revenue from transaction fees is recognised upon completion of each transaction. Outstanding payments at the year end are included within trade debtors.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold Property	- 10% Straight line
Fixtures & fittings and equipment	- 25% Straight line
Right of use asset	- Over the life of the lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.7 Valuation of investments

Investment in subsidiaries are held at cost less accumulated impairment losses.

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.8 Debtors

Short term debtors such as trade debtors are initially stated at fair value and subsequently measured at amortised cost using the effective interest method.

The carrying amounts for accounts receivable are net of allowances for expected credit losses. The Company evaluates the expected credit losses on trade receivables by reviewing historical recoverability data and evaluating the current and forecast liquidity of each fund in order to assess future recoverability. Individual receivables are only written off when management deems them not collectible.

2.9 Cash and cash equivalents

Cash is represented by cash and deposits held with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.11 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

2.12 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.13 Dividends

Dividends are recognised when they become legally payable. Interim dividends are recognised when paid. Final dividends are recognised when approved by the shareholders.

2.14 Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed lease payments less any lease incentives received/ receivable. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise office equipment.

Information about critical accounting estimates and judgements in the application of lease accounting is disclosed in note 3.

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Incremental borrowing rate

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- Where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since the third party financing was received;
 - Where there is no third party financing, uses a build-up approach that starts with a rental yield of the property; and
 - Makes adjustments specific to the lease, e.g. term, currency and security (if considered necessary)
- The Company used an incremental borrowing rate of 3.75% for determining the lease liability. No new leases have been taken out during the year.

A 100-basis point increase/(decrease) in the rate would cause the lease liabilities to (reduce)/increase by (£84,835)/£79,749 and a corresponding (decrease)/increase in the right-of-use assets by the same amount.

Management have assessed the lease term as 10 years being the term of the lease, the lease commenced in February 2019.

Impairment of Right of Use asset

Under IFRS 16 right-of-use assets are tested for impairment in accordance with IAS 36 'Impairment of Assets' when there is an indication of impairment.

Management forecast profitability in line with the lease term and apply a discount rate of 8% to test the impairment of the Right of Use asset. The present value of future profits was considerably higher (even when reasonable downside sensitivities were applied) than the carrying value of the Right of Use asset and as such management deem that no impairment was required.

4. Turnover

An analysis of turnover by class by geographical location is as follows:

	2021 £	2020 £
United Kingdom	9,312,654	7,961,175
Europe	891,692	612,855
	<u>10,204,346</u>	<u>8,574,030</u>

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Other operating income

	2021	2020
	£	£
Other operating income	30,871	938

6. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	101,357	89,448
Depreciation of right of use asset	322,941	322,941
Exchange differences	2,193	2,873

7. Auditors' remuneration

	2021	2020
	£	£
Fees payable to the Company's auditors and their associates for the audit of the Company's annual financial statements	18,000	17,000

Fees payable to the Company's auditors and their associates in respect of:

Other assurance services (CASS audit fee)	7,000	6,750
	7,000	6,750

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Employees

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	5,724,828	6,375,290
Social security costs	474,214	545,243
Pension costs	36,097	34,072
	<u>6,235,139</u>	<u>6,954,605</u>

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

	2021 No.	2020 No.
Administrative	30	30
Directors	5	6
Non-Executive Directors	1	1
	<u>36</u>	<u>37</u>

9. Directors' remuneration

Aggregate remuneration for the directors in the period totalled £1,418,556 (2020: £1,852,503).

Amounts paid to the highest paid director in the period totalled £431,647 (2020: £515,390).

Key management personnel are considered to be the directors. The remuneration of directors, including employers NI, was £1,609,725 (2020: £2,086,341).

10. Dividends received

	2021 £	2020 £
Dividends received from subsidiary undertakings	15,000	30,000
	<u>15,000</u>	<u>30,000</u>

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Interest receivable and similar income

	2021 £	2020 £
Other interest receivable	4,614	12,058
	<u>4,614</u>	<u>12,058</u>

12. Interest payable and similar expenses

	2021 £	2020 £
Other interest payable	104,286	116,836
	<u>104,286</u>	<u>116,836</u>

Other interest payable relates to the unwinding of the lease liability discount.

13. Tax on profit/(loss)

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	71,307	-
Adjustments in respect of prior periods	-	(6,014)
Total corporation tax	<u>71,307</u>	<u>(6,014)</u>
Deferred tax		
Origination and reversal of timing differences	21,836	(31,586)
Adjustments in respect of prior periods	(115)	963
Effect of tax rate change on opening balance	(11,242)	(409)
Total deferred tax	<u>10,479</u>	<u>(31,032)</u>
Tax on profit/(loss)	<u>81,786</u>	<u>(37,046)</u>

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Tax on profit/(loss) (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit/(loss) before tax	409,872	(216,294)
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	77,876	(41,095)
Effects of:		
Adjust deferred tax to standard CT rate	(6,000)	(409)
Adjustments to tax charge in respect of previous periods	(115)	(5,051)
Depreciation on assets not qualifying for capital allowances	534	624
Capital allowances super-deduction	(2,147)	-
Expenses not deductible for tax purposes	14,488	12,846
Dividend income not taxable	(2,850)	(5,700)
Qualifying donations unutilised	-	1,739
Total tax charge/(credit) for the year	81,786	(37,046)

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. Right of use asset

	Right of use asset £
Cost	
At 1 January 2021	3,229,410
At 31 December 2021	<u>3,229,410</u>
Accumulated Depreciation	
At 1 January 2021	608,382
Charge for the year	322,941
At 31 December 2021	<u>931,323</u>
Net book value	
At 31 December 2021	<u>2,298,087</u>
At 31 December 2020	<u>2,621,028</u>

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. Tangible assets

	Leasehold Property £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 January 2021	378,593	266,566	645,159
Additions	38,046	46,333	84,379
Disposals	-	(22,912)	(22,912)
At 31 December 2021	<u>416,639</u>	<u>289,987</u>	<u>706,626</u>
Accumulated depreciation			
At 1 January 2021	58,394	109,492	167,886
Charge for the year on owned assets	40,563	60,794	101,357
Disposals	-	(16,482)	(16,482)
At 31 December 2021	<u>98,957</u>	<u>153,804</u>	<u>252,761</u>
Net book value			
At 31 December 2021	<u>317,682</u>	<u>136,183</u>	<u>453,865</u>
At 31 December 2020	<u>320,199</u>	<u>157,074</u>	<u>477,273</u>

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Investments

	Investments in subsidiary companies £	Other fixed asset investments £	Total £
Cost or valuation			
At 1 January 2021	25,002	2	25,004
At 31 December 2021	<u>25,002</u>	<u>2</u>	<u>25,004</u>
Net book value			
At 31 December 2021	<u>25,002</u>	<u>2</u>	<u>25,004</u>
At 31 December 2020	<u>25,002</u>	<u>2</u>	<u>25,004</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Mayfair Capital Partners Limited	Ordinary	100 %	Dormant
MCIM Corporate Trustees Limited	Ordinary	100 %	Dormant property investment fund
Mayfair Capital Trust Manager (Jersey) Limited	Ordinary	100 %	management
Mayfair Capital TGF General Partner LLP	Ordinary	100 %	Dormant
Mayfair Capital TAG General Partner LLP	Ordinary	100 %	Dormant

Name	Registered office
Mayfair Capital Partners Limited	55 Wells Street, London, W1T 3PT
MCIM Corporate Trustees Limited	55 Wells Street, London, W1T 3PT
Mayfair Capital Trust Manager (Jersey) Limited	IFC5, St Helier, Jersey, JE1 1ST
Mayfair Capital TGF General Partner LLP	55 Wells Street, London, W1T 3PT
Mayfair Capital TAG General Partner LLP	55 Wells Street, London, W1T 3PT

Other fixed asset investments

Two £1 management shares held in Mayfair Capital Residential 2 LLP, a fund managed by the company, registered at 55 Wells Street, London, W1T 3PT.

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

17. Debtors

	2021 £	2020 £
Due after more than one year		
Deferred tax asset	25,003	35,482
	<u>25,003</u>	<u>35,482</u>
	2021 £	2020 £
Due within one year		
Amounts owed by related parties	684,997	1,306,346
Other debtors	1,104	-
Prepayments and accrued income	3,140,519	2,286,321
Tax recoverable	-	122,291
	<u>3,826,620</u>	<u>3,714,958</u>
	2021 £	2020 £
Contract assets		
Opening accrued income	2,039,896	2,507,830
Revenue accrued in the year	2,935,619	2,039,896
Accrued income reversed and recognised in revenue	(2,039,896)	(2,507,830)
Closing accrued income	<u>2,935,619</u>	<u>2,039,896</u>

18. Cash at bank

	2021 £	2020 £
Cash at bank	<u>4,082,609</u>	<u>3,871,653</u>

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

19. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	19,907	57,409
Corporation tax	71,307	-
Other taxation and social security	538,848	626,988
Obligations under leases	336,345	324,040
Other creditors	10,899	10,569
Accruals	2,209,109	2,195,211
	<u>3,186,415</u>	<u>3,214,217</u>

20. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Net obligations under leases	2,306,376	2,640,870
Amounts owed to group undertakings	2	2
	<u>2,306,378</u>	<u>2,640,872</u>

21. Deferred taxation

	2021 £	2020 £
At beginning of year	35,482	4,450
Credited/(charged) to profit and loss	(10,479)	31,032
At end of year	<u>25,003</u>	<u>35,482</u>

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

21. Deferred taxation (continued)

The deferred tax balance is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	4,461	3,129
Tax losses carried forward	-	22,560
Short term temporary differences	20,542	9,793
	<u>25,003</u>	<u>35,482</u>
Comprising:		
Asset - due after one year	25,003	35,482
	<u>25,003</u>	<u>35,482</u>

22. Called up share capital

	2021 £	2020 £
Allotted, called up and fully paid		
91,888 (2020 - 91,888) Ordinary B shares shares of £0.10 each	9,189	9,189
54,785 (2020 - 54,785) Ordinary C shares shares of £0.10 each	5,479	5,479
50,303 (2020 - 50,303) Ordinary D shares shares of £0.10 each	5,030	5,030
18,329 (2020 - 18,329) Ordinary E shares shares of £0.10 each	1,833	1,833
5,921 (2020 - 5,921) Ordinary F shares shares of £0.10 each	592	592
	<u>22,123</u>	<u>22,123</u>

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

23. Disclosure required under IFRS16 - Leases

The Company has applied IFRS 16.

Future undiscounted contractual lease payments as at 31 December 2021 and 31 December 2020 are as follows:

	2021 £	2020 £
Not later than 1 year	427,186	427,186
Later than 1 year and not later than 5 years	1,708,744	1,708,744
Later than 5 years	854,372	1,281,558
	<u>2,990,302</u>	<u>3,417,488</u>

The total cash outflow to leases in 2021 was £427,186 (2020 £427,186)

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

24. Related party transactions

	2021 £	2020 £
Amounts received from related parties:		
The Property Income Trust for Charities	4,309,889	3,555,904
Mayfair Capital Property Unit Trust	2,684,548	2,391,116
Mayfair Capital Commercial Property Trust	845,533	788,906
Mayfair Capital Residential 2 LLP	216,106	243,797
Mayfair Capital UK Thematic Growth Fund	766,247	522,589
Swiss Life Ref (CH) European (Properties) Fund	316,861	331,144
Swiss Life Real Estate Funds (LUX) S.A., SICAV-SIF	302,421	198,000
Swiss Life LOC Bonhill S.A.R.L.	272,410	83,711
Mayfair Capital Trust Manager (Jersey) Limited	15,000	30,000
	<u>9,729,015</u>	<u>8,145,167</u>
	2021 £	2020 £
Amounts owed by/(to) related parties:		
The Property Income Trust for Charities	1,237,980	1,772,180
Mayfair Capital Property Unit Trust	723,520	599,343
Mayfair Capital Residential 2 LLP	50,736	58,614
Mayfair Capital Commercial Property Trust	227,524	199,353
Mayfair Capital UK Thematic Growth Fund LP	536,131	120,803
Swiss Life LOC Bonhill S.A.R.L.	350,648	106,555
Swiss Life Real Estate Funds (LUX) S.A., SICAV-SIF	333,423	211,351
Mayfair Capital Partners Limited	(1)	(1)
MCIM Corporate Trustees Limited	(1)	(1)
	<u>3,459,960</u>	<u>3,068,197</u>

During the year, the company earned fees from the above related parties for management fees, performance fees, transaction fees and expenses. The above funds are considered related parties by virtue of shared key management personnel.

The figures presented above for amounts owed by related parties include both those amounts invoiced prior to year end (presented as Amounts owed by related parties in Note 17) and amounts due but not invoiced as at year end (included in Accrued Income in Note 17).

Mayfair Capital Partners Limited, MCIM Corporate Trustees Limited and Mayfair Capital Trust Manager (Jersey) Limited are wholly owned subsidiaries of the company.

MAYFAIR CAPITAL INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

24. Related party transactions (continued)

Directors' benefits: advances, credit and guarantees

During the year, the consultancy fees shown below were paid to William Hill Consulting Limited, a company controlled by W Hill.

	2021 £	2020 £
William Hill Consulting Limited	-	93,333
	<u>-</u>	<u>93,333</u>

25. Post balance sheet events

There are no post balance sheet events requiring disclosure in these Financial Statements.

26. Controlling party

Swiss Life Holding AG is the ultimate parent and controlling party.

The company has taken advantage of the exemption from preparing consolidated group financial statements provided in s.401 Companies Act 2006. This is on the basis that consolidated financial statements are prepared by the ultimate controlling party, Swiss Life Holding AG, a company incorporated in Switzerland.

Swiss Life Holding AG is the smallest and largest group into which the financial statements are consolidated.

Consolidated financial statements are available from:

Swiss Life Holding AG,
40 General-Guisan-Quai,
Zurich,
Switzerland,
CH-8002.