

Waypoint Corporate Services Limited

Annual Report and Financial Statements

For the year ended 31 December 2020

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COMPANIES HOUSE

Waypoint Corporate Services Limited

Registered No: 07844727

Directors

T Noyes
M Bolland
G McNair
L Masmejan
G Haworth

Secretary

E Akadiri

Auditors

Ernst & Young LLP
Liberation House
Castle Street
St Helier
Jersey JE1 1EY

Bankers

C. Hoare & Co
37 Fleet Street
London
EC4P 4DQ

Registered Office

1 Curzon Street
London
W1J 5HD

Waypoint Corporate Services Limited

Directors' report

The Directors present their report and the financial statements for the Group, which consolidate the financial statements Waypoint Corporate Services Limited and its subsidiary, being Kedge Capital PE LLP, for the year ended 31 December 2020. Waypoint Corporate Services Limited is a limited liability company incorporated in England & Wales, registered number 07844727. Kedge Capital PE LLP is a limited liability partnership incorporated in England & Wales, registered number OC430922.

Results and dividends

The profit on ordinary activities, after taxation, for the year ended 31 December 2020 amounted to £839,618 (2019 – loss of £8,882,542). No dividends were paid during the year (2019 - £nil). Principal activity of the business is disclosed within the strategic report.

Going concern

The Group is reporting a deficit in shareholder's equity of £7,010,223 at 31 December 2020 (2019 – deficit of £7,849,841) despite ongoing operating profits, due to the transfer of business from Kedge Capital (UK) Limited in 2019, a company within the Waypoint Group. The Group has a cash balance of £1,939,693 as at 31 December 2020 (2019 - £1,628,072) and does not have any external debt. The Directors have received written confirmation from Waypoint Capital Holdings (Switzerland) Limited that it will provide a loan up to the balance of the 31 December 2020 year-end capital deficit and that they do not intend to recall it in the foreseeable future and for at least 24 months, as at 31 December 2020.

The Directors have considered the financial position of the Group for a period to 31 December 2022 (being in excess of twelve months from the date of approval of the financial statements) and have a reasonable expectation that it has adequate resources to meet its liabilities as they fall due and continue in operational existence for the foreseeable future. The outbreak and continuing spread of the novel coronavirus ("COVID-19") and the related disruption to the worldwide economy are affecting businesses across all industries. While noting that the ultimate effects may be difficult to quantify the Directors do not underestimate the current situation, however, based on their assessment of the impact of COVID-19, the Directors are of the opinion that the impact has been minimal and the use of the going concern assumption is still appropriate. Accordingly, the financial statements have been prepared on a going concern basis.

Directors

The Directors who held office through the year and up to the date of approving the financial statements are shown in page 1. The following changes have occurred during the year:

P Southey resigned on 25 September 2020

G Haworth was appointed on 20 October 2020

R Bogni resigned on 31 December 2020

Disclosure of information to the auditors

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors and the Group's auditor, each Director has taken all the steps that he/she is obliged to make as a Director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Waypoint Corporate Services Limited

Directors' report

Re-appointment of Auditors

The Directors noted that Ernst & Young LLP were appointed as the Company's auditors and that a resolution to reappoint Ernst & Young LLP as auditors will be considered by the Directors at the next board meeting.

On behalf of the Board:

DocuSigned by:



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Gordon McNair

Director

Date: 19 May 2021

Waypoint Corporate Services Limited

Strategic report

Principal activity and review of the business

The principal activity of the Company during the year was the provision of administrative support services. In July 2020 Waypoint Corporate Services become the Corporate Partner of Kedge Capital PE LLP. The principal activity of Kedge Capital PE LLP during the year was that of the provision of investment advisory services to the General Partner of Jersey based private equity funds.

The directors do not believe there will be any changes to the principal activity of the Group or Company for the foreseeable future.

Principal risks and uncertainties

The principal risk to the Group would be a significant reduction in its clients' businesses. The directors have considered this in light of the current business environment, with particular regard to risks associated with Covid-19. However, based on current business expectations the probability of a reduction in clients' businesses occurring is considered to be low due to the financial stability of the Waypoint Group. As the Group provides services on a cost plus pricing basis, it is anticipated that there will always be an operating profit within each accounting period.


Key performance indicators

The key performance indicators of the Group are turnover £41,990,856 (2019 - £30,714,293) and administrative expenses £38,532,283 (2019 - £28,059,700). Activity has increased during the year following the transfer of business from Kedge Capital (UK) Limited on 31 March 2019. During the year the monthly average number of employees was 68 (2019 – 63). There were 8 leavers (2019 – 9) and 10 new joiners (2019 – 25) in 2020.

Statement in accordance with s172 Companies Act 2006

The Directors consider that they have acted in the way that would be most likely to promote the success of the Group and Company for the benefit of its members. This has been managed by regular oversight of, and engagement with, processes governing financial management, risk management and planning, alongside comprehensive engagement with both employees and stakeholders regarding the Group's operations throughout the year.

By order of the board:

DocuSigned by:

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Gordon McNair
Director

Date: 19 May 2021

Waypoint Corporate Services Limited

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law. 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 Group and Company and of the profit or loss of the Group 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; 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 keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that they have complied with the above requirements when preparing the financial statements.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WAYPOINT CORPORATE SERVICES LIMITED**

Opinion

We have audited the financial statements of Waypoint Corporate Services Limited ('the parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated income statement, the Consolidated statement of financial position, the Company statement of financial position, the Statement of changes in equity, the Consolidated statement of cash flow, the Company statement of cash flow and the related notes 1 to 21 including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ▶ give a true and fair view of the group's and of the parent company's affairs as at 31 December 2020 and of the group's profit for the year then ended;
- ▶ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 group and parent company's ability to continue as a going concern for a period to 31 December 2022.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WAYPOINT CORPORATE SERVICES LIMITED (continued)**

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ▶ the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ▶ the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WAYPOINT CORPORATE SERVICES LIMITED (continued)**

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- ▶ We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are the Companies Act 2006.
- ▶ We understood how Waypoint Corporate Services Limited is complying with those frameworks by making enquiries of management and internal audit. We corroborated our enquires through our review of board minutes and our attendance at the Waypoint Group Audit and Risk Committee, the body providing overall risk and audit oversight for entities including the Company. We noted there was no contradictory evidence.
- ▶ We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where it was considered there was susceptibility to fraud. We supported our understanding through conducting walkthroughs of significant classes of transactions to identify any potential susceptibilities to fraud.
- ▶ Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved journal entry testing with a focus on journals meeting our defined risk criteria based on our understanding of the business, a review of board minutes to identify any noncompliance with laws and regulations and enquiries of management.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Andrew Jonathan Dann (Senior statutory auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Jersey, Channel Islands
Date: 19 May 2021

Waypoint Corporate Services Limited

Consolidated income statement

For the year ended 31 December 2020

| | Notes | 2020 £ | 2019 £ |
|--|-------|-----------------------|---------------------------|
| Turnover | 3 | 41,990,856 | 30,714,293 |
| Gross Profit | | <u>41,990,856</u> | <u>30,714,293</u> |
| Administrative expenses | | (38,532,283) | (28,059,700) |
| Operating Profit | 4 | <u>3,458,573</u> | <u>2,654,593</u> |
| Loss on business acquisition | | - | (10,597,513) |
| Profit/(loss) on ordinary activities before interest and taxation | | <u>3,458,573</u> | <u>(7,942,920)</u> |
| Interest and similar income | | 92,693 | 93,243 |
| Profit/(loss) on ordinary activities before taxation | | <u>3,551,266</u> | <u>(7,849,677)</u> |
| Tax | 5 | (2,711,648) | (1,032,865) |
| Profit/(loss) for the financial year | | <u><u>839,618</u></u> | <u><u>(8,882,542)</u></u> |

The profit and loss account has been prepared on the basis that all operations are continuing operations.


Waypoint Corporate Services Limited

Consolidated statement of financial position

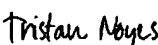
at 31 December 2020

| | Notes | 31 Dec 2020 £ | 31 Dec 2019 £ |
|--|-------|---------------------|---------------------|
| Fixed assets | | | |
| Tangible assets | 9 | 1,172,059 | 1,142,995 |
| | | <u>1,172,059</u> | <u>1,142,995</u> |
| Debtors: amounts falling due after more than one year | 11 | 411,296 | 227,460 |
| Current assets | | | |
| Debtors: amounts falling due within one year | 11 | 44,311,530 | 27,343,560 |
| Cash | | 1,939,693 | 1,628,072 |
| | | <u>46,251,223</u> | <u>28,971,632</u> |
| Creditors: amounts falling due within one year | 12 | (14,791,699) | (10,845,559) |
| Net current assets | | <u>31,459,524</u> | <u>18,126,073</u> |
| Total assets less current liabilities | | <u>33,042,879</u> | <u>19,496,528</u> |
| Creditors: amounts falling due after more than one year | 13 | (39,252,570) | (26,545,837) |
| Provisions for liabilities | 14 | (800,532) | (800,532) |
| Net liabilities | | <u>(7,010,223)</u> | <u>(7,849,841)</u> |
| Capital and reserves | | | |
| Called up share capital | 16 | 1 | 1 |
| Profit and loss account | | (7,010,224) | (7,849,842) |
| Total Equity | | <u>(7,010,223)</u> | <u>(7,849,841)</u> |

The financial statements on pages 9 to 25 were approved by the Board of Directors on 19 May 2021 and were signed on its behalf by:

DocuSigned by:

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Gordon McNair
Director

DocuSigned by:

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Tristan Noyes
Director

Waypoint Corporate Services Limited

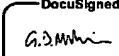
Company statement of financial position

at 31 December 2020


| | Notes | 31 Dec 2020 £ | 31 Dec 2019 £ |
|--|-------|---------------------|---------------------|
| Fixed assets | | | |
| Tangible assets | 9 | 1,172,059 | 1,142,995 |
| Investments | 10 | 100,000 | - |
| | | <u>1,272,059</u> | <u>1,142,995</u> |
| Debtors: amounts falling due after more than one year | 11 | 411,296 | 227,460 |
| Current assets | | | |
| Debtors: amounts falling due within one year | 11 | 44,252,935 | 27,343,560 |
| Cash | | 1,560,506 | 1,628,072 |
| | | <u>45,813,441</u> | <u>28,971,632</u> |
| Creditors: amounts falling due within one year | 12 | (15,104,863) | (10,845,559) |
| Net current assets | | <u>30,708,578</u> | <u>18,126,073</u> |
| Total assets less current liabilities | | <u>32,391,933</u> | <u>19,496,528</u> |
| Creditors: amounts falling due after more than one year | 13 | (38,673,956) | (26,545,837) |
| Provisions for liabilities | 14 | (800,532) | (800,532) |
| Net liabilities | | <u>(7,082,555)</u> | <u>(7,849,841)</u> |
| Capital and reserves | | | |
| Called up share capital | 16 | 1 | 1 |
| Profit and loss account | | (7,082,556) | (7,849,842) |
| Total Equity | | <u>(7,082,555)</u> | <u>(7,849,841)</u> |

The profit of the company for the financial year is £767,287 (2019: loss of £8,882,542).

The financial statements on pages 9 to 25 were approved by the Board of Directors on 19 May 2021 and were signed on its behalf by:

DocuSigned by:

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Gordon McNair
Director

DocuSigned by:

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Tristan Noyes
Director

Waypoint Corporate Services Limited

Statement of changes in equity

For the year ended 31 December 2020

Group

| | <i>Share capital £</i> | <i>Profit and loss account £</i> | <i>Total equity shareholder's funds £</i> |
|---------------------|--------------------------------|--|---|
| At 1 January 2019 | 1 | 1,032,700 | 1,032,701 |
| Loss for the year | – | (8,882,542) | (8,882,542) |
| At 31 December 2019 | 1 | (7,849,842) | (7,849,841) |
| Profit for the year | – | 839,618 | 839,618 |
| At 31 December 2020 | 1 | (7,010,224) | (7,010,223) |

Company

| | <i>Share capital £</i> | <i>Profit and loss account £</i> | <i>Total equity shareholder's funds £</i> |
|---------------------|--------------------------------|--|---|
| At 1 January 2019 | 1 | 1,032,700 | 1,032,701 |
| Loss for the year | – | (8,882,542) | (8,882,542) |
| At 31 December 2019 | 1 | (7,849,842) | (7,849,841) |
| Profit for the year | – | 767,286 | 767,286 |
| At 31 December 2020 | 1 | (7,082,556) | (7,082,555) |

Waypoint Corporate Services Limited

Consolidated statement of cash flow

for the year ended 31 December 2020

| | <i>Notes</i> | <i>2020</i> £ | <i>2019</i> £ |
|--|--------------|------------------|------------------|
| Net cash from operating activities | 18 | 2,166,580 | 1,402,016 |
| Corporation tax paid | | (1,878,433) | (1,160,414) |
| Net cash flow from operating activities | | 288,147 | 241,602 |
| Cash flow from Investing Activities | | | |
| Interest received | | 92,693 | 93,243 |
| Net cash flow from investing activities | | 92,693 | 93,243 |
| Net increase in cash and cash equivalents | | 380,840 | 334,845 |
| Foreign exchange translation | | (69,219) | 8,126 |
| Cash at 1 January | | 1,628,072 | 1,285,101 |
| Cash at 31 December | | 1,939,693 | 1,628,072 |

Waypoint Corporate Services Limited

Company statement of cash flow

for the year ended 31 December 2020

| | <i>Notes</i> | <i>2020</i> £ | <i>2019</i> £ |
|--|--------------|------------------|------------------|
| Net cash from operating activities | 18 | 1,887,393 | 1,402,016 |
| Corporation tax paid | | (1,878,433) | (1,160,414) |
| Net cash flow from operating activities | | 8,960 | 241,602 |
| Cash flow from Investing Activities | | | |
| Interest received | | 92,693 | 93,243 |
| Purchase of investment | | (100,000) | - |
| Net cash flow from investing activities | | (7,307) | 93,243 |
| Net increase in cash and cash equivalents | | 1,653 | 334,845 |
| Foreign exchange translation | | (69,219) | 8,126 |
| Cash at 1 January | | 1,628,072 | 1,285,101 |
| Cash at 31 December | | 1,560,506 | 1,628,072 |

Waypoint Corporate Services Limited

Notes to the financial statements

at 31 December 2020

1. Statement of Compliance

Waypoint Corporate Services Limited is a private limited liability company incorporated in England & Wales, registered number 07844727. The Registered Office is 1 Curzon Street, London, W1J 5HD.

The Group's financial statements have been prepared in compliance with United Kingdom Accounting Standards, FRS 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102) and the UK Companies Act 2006.

2. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

Group financial statements

On the 1 July 2020, the Company became the managing member of Kedge Capital PE LLP, a Limited Liability Partnership incorporated in England & Wales. The Group financial statements consolidate Waypoint Corporate Services Limited and its subsidiary, Kedge Capital PE LLP (incorporated in the United Kingdom) from 1 January 2020 to 31 December 2020. Kedge Capital PE LLP's current accounting period is from 28 February 2020 to 31 March 2021.

For the period ended 31 March 2021 Kedge Capital PE LLP is entitled to exemption from an audit under section 479A of the Companies Act 2006 relating to subsidiary entities.

No Company income statement is presented for Waypoint Corporate Services Limited as the Company has taken the exemption under section 408 of the Companies Act 2006.

Revenue

Revenue is recognised on an accruals basis.

Other income and administrative expenses

Other income and administrative expenses are recognised on an accruals basis.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and impairment.

Depreciation

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Costs includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Fixtures, fittings and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Computer equipment is stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on tangible assets is calculated, using the straight line method, to allocate the cost to their residual values over their estimated useful lives, as follows:

| | | |
|------------------------|---|--|
| Computer equipment | – | 3 years |
| Fixtures and Fittings | – | 3 years |
| Leasehold improvements | – | over the life of the lease (terminating July 2023) |

Waypoint Corporate Services Limited

Notes to the financial statements

at 31 December 2020

2. Accounting policies (continued)

Investments in subsidiary undertakings

Investments are stated at cost less provision for permanent diminution in value. The carrying values of fixed asset investments are reviewed for any permanent diminution in value when events or changes in circumstances indicate the carrying value may not be recoverable.

Leasing and lease incentives

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term. Amounts provided for lease incentives will also be recognised in the profit and loss account on a straight line basis over the lease term.

Dilapidations provision

A dilapidations provision is recognised when there is an expectation of future obligations relating to the maintenance of leasehold properties arising from events such as lease renewals or terminations.

The dilapidation liability is recognised with a corresponding asset recognised within leasehold improvements, representing the expected present value of the obligation. The dilapidation provision expense is charged to the profit and loss account as depreciation of the leasehold improvements asset on a straight line basis over the lease term in accordance with Financial Reporting Standard 102. The carrying values of the provisions are reviewed on an annual basis or when events or changes in circumstances indicate the carrying value may have changed from previous estimates.

Taxation

Current tax is provided on the Company's taxable profits at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Pensions

The Group participates in defined contribution pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charges represent contributions payable by the Company to the funds.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exception:

- Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Business combinations

Business combinations are accounted for by applying the purchase method. The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed plus the costs directly attributable to the business combination. On acquisition of a business, fair values are attributed to the identifiable assets and liabilities. The excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Company's interest in the identifiable net assets and liabilities acquired have been recognised as an expense of the Company.

Waypoint Corporate Services Limited

Notes to the financial statements

at 31 December 2020

2. Accounting policies (continued)**Foreign currencies**

The functional currency of the Group is sterling and transactions in foreign currencies are recorded at the rate of exchange ruling on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated, into GBP, at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Deferred compensation

Deferred compensation is recognised at its estimated present value with any changes recognised in the profit and loss account. The estimated value takes into consideration expected returns of linked investments and the terms of the relevant deferred compensation agreements. Management is required to make judgments and assumptions about the carrying amount of linked investments within this estimation.

Going concern

The Directors have considered the financial position of the Group for a period to 31 December 2022 (being in excess of twelve months from the date of approval of the financial statements) and have a reasonable expectation that it has adequate resources to meet its liabilities as they fall due and continue in operational existence for the foreseeable future. The outbreak and continuing spread of the novel coronavirus ("COVID-19") and the related disruption to the worldwide economy are affecting businesses across all industries. While noting that the ultimate effects may be difficult to quantify the Directors do not underestimate the current situation, however, based on their assessment of the impact of COVID-19, the Directors are of the opinion that the impact has been minimal and the use of the going concern assumption is still appropriate.

3. Revenue

Revenue is attributable to the provision of administrative support services and advisory services.

| | 2020 | 2019 |
|--|-------------------|-------------------|
| | £ | £ |
| Revenue attributable to administrative support and advisory services | 41,990,856 | 30,714,293 |
| Total revenue for the year | <u>41,990,856</u> | <u>30,714,293</u> |

4. Operating profit

This is stated after charging/(crediting):

| | 2020 | 2019 |
|--|------------------|------------------|
| | £ | £ |
| Auditor's remuneration – audit services | 33,607 | 24,300 |
| Depreciation of tangible assets | 416,229 | 367,132 |
| (Gain)/loss on foreign exchange transactions | (613,725) | (602,500) |
| Operating lease rentals | <u>1,642,491</u> | <u>1,642,491</u> |

Waypoint Corporate Services Limited

Notes to the financial statements

at 31 December 2020

5. Tax

(a) Tax on profit on ordinary activities

| | 2020 £ | 2019 £ |
|---|-------------------------|-------------------------|
| The tax charge is made up as follows: | | |
| <i>Current tax:</i> | | |
| UK corporation tax on profit for the year | 2,957,181 | 904,583 |
| Total current tax | <u>2,957,181</u> | <u>904,583</u> |
| <i>Deferred tax:</i> | | |
| Movement for the year (note 15) | (245,533) | (773,775) |
| Deferred tax assets transferred from Kedge Capital (UK) Limited (note 15) | - | 902,057 |
| Tax on profit on ordinary activities | <u><u>2,711,648</u></u> | <u><u>1,032,865</u></u> |

(b) Factors affecting the current tax charge for the year

The tax assessed for the year differs from the weighted average standard rate of corporation tax in the UK of 19% (2019: 19%). A reconciliation is provided below:

| | 2020 £ | 2019 £ |
|---|-------------------------|-------------------------|
| Profit/(loss) on ordinary activities before taxation | <u>3,551,266</u> | <u>(7,849,677)</u> |
| Profit on ordinary activities before taxation multiplied by the weighted average standard rate of UK corporate tax of 19% (2019: 19%) | 674,741 | (1,491,439) |
| Effects of: | | |
| Disallowable expenses | 26,661 | 27,464 |
| Adjustments to tax charge in respect of previous periods | (7,150) | 1,578 |
| Adjust closing deferred tax to average rate of 19% (2019: 19%) | - | 548,258 |
| Adjust opening deferred tax to average rate of 19% (2019: 19%) | (548,258) | (279,836) |
| Deferred tax not recognized | 2,565,654 | 1,506,238 |
| Transfer of assets and liabilities from Kedge Capital (UK) Ltd | - | (1,292,925) |
| Loss on business acquisition from Kedge Capital (UK) Ltd | - | 2,013,527 |
| Current tax charge (note 5(a)) | <u><u>2,711,648</u></u> | <u><u>1,032,865</u></u> |

Waypoint Corporate Services Limited

Notes to the financial statements

at 31 December 2020

6. Staff costs

| | 2020 | 2019 |
|--|-------------------|-------------------|
| | £ | £ |
| Wages and salaries | 28,788,618 | 18,798,203 |
| Social security costs | 3,844,391 | 2,457,530 |
| Other pension costs – defined contribution | 880,362 | 960,363 |
| | <u>33,513,371</u> | <u>22,216,096</u> |

Included in Staff costs are the Directors' emoluments shown in note 7 below.

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

| | 2020 | 2019 |
|--------------------------------------|-----------|-----------|
| | No. | No. |
| Administration and advisory services | 68 | 62 |
| | <u>68</u> | <u>62</u> |

7. Directors' emoluments

| | 2020 | 2019 |
|---|------------------|------------------|
| | £ | £ |
| Emoluments | 5,551,452 | 4,525,891 |
| Board Fees | 499,032 | 517,454 |
| Company contributions to defined contribution pension schemes | 61,917 | 98,000 |
| | <u>6,112,421</u> | <u>5,141,345</u> |

| | 2020 | 2019 |
|---|------|------|
| | No. | No. |
| Average number of members of defined contribution pension schemes | 4 | 4 |

The amounts in respect of the highest paid Director are as follows:

| | 2020 | 2019 |
|---|------------------|------------------|
| | £ | £ |
| Emoluments | 3,934,346 | 2,855,647 |
| Company contributions to defined contribution pension schemes | 25,000 | 25,000 |
| | <u>3,959,346</u> | <u>2,880,647</u> |

8. Members' remuneration**Group**

A member's share in the profit or loss of an LLP for the year is accounted for as an allocation of profits or losses. Kedge Capital PE LLP made no distributions to its members in the year, and the Company received no profit share from Kedge Capital PE LLP.

Waypoint Corporate Services Limited

Notes to the financial statements

at 31 December 2020

9. Tangible fixed assets**Group and Company**

| | <i>Computer equipment</i> | <i>Fixtures & Fittings</i> | <i>Leasehold improvements</i> | <i>Total</i> |
|---------------------|-------------------------------|------------------------------------|-----------------------------------|--------------|
| | £ | £ | £ | £ |
| Cost or valuation | | | | |
| At 1 January 2020 | 984,038 | 9,088 | 10,126,099 | 11,119,225 |
| Additions | 43,030 | 1,667 | 400,595 | 445,292 |
| At 31 December 2020 | 1,027,068 | 10,755 | 10,526,694 | 11,564,517 |
| Depreciation | | | | |
| At 1 January 2020 | 739,397 | 9,088 | 9,227,745 | 9,976,230 |
| Charge for the year | 114,844 | 1,667 | 299,717 | 416,228 |
| At 31 December 2020 | 854,241 | 10,755 | 9,527,462 | 10,392,458 |
| Net book value | | | | |
| At 31 December 2020 | 172,827 | - | 999,232 | 1,172,059 |
| At 1 January 2020 | 244,641 | - | 898,354 | 1,142,995 |

10. Investments**Company**

Investment undertakings

On the 1 July 2020, the Company became the managing member of Kedge Capital PE LLP, a Limited Liability Partnership incorporated in England & Wales. The Company has included the LLP in its consolidated group financial statements.

11. Debtors

| Group | 2020 | 2019 |
|---|-------------|-------------|
| | £ | £ |
| Trade debtors | - | 362,832 |
| Prepayments and accrued income | 923,652 | 458,939 |
| Other debtors | 1 | 2,468 |
| Deferred tax asset | 1,480,475 | 1,234,942 |
| Amounts owed by group undertakings (note 19) | 3,746,142 | 2,892,857 |
| Amounts owed by other related parties (note 19) | 38,161,260 | 22,391,522 |
| | 44,311,530 | 27,343,560 |

Waypoint Corporate Services Limited

Notes to the financial statements

at 31 December 2020

11. Debtors (continued)

| Company | 2020 | 2019 |
|---|-------------------|-------------------|
| | £ | £ |
| Trade debtors | - | 362,832 |
| Prepayments and accrued income | 923,652 | 458,939 |
| Other debtors | 1 | 2,468 |
| Deferred tax asset | 1,480,475 | 1,234,942 |
| Amounts owed by group undertakings (note 19) | 3,687,547 | 2,892,857 |
| Amounts owed by other related parties (note 19) | 38,161,260 | 22,391,522 |
| | <u>44,252,935</u> | <u>27,343,560</u> |
| Long term debtors represent: | | |
| | 2020 | 2019 |
| | £ | £ |
| Amounts owed by related parties | 411,296 | 227,460 |
| | <u>411,296</u> | <u>227,460</u> |

12. Creditors: amounts falling due within one year

| Group | 2020 | 2019 |
|--|-------------------|-------------------|
| | £ | £ |
| Trade creditors | 164,745 | 86,440 |
| Accruals | 9,412,173 | 7,480,917 |
| Pension creditors | 106,761 | 118,149 |
| Payroll creditors | 689,168 | 516,885 |
| Corporate tax payable | 1,634,331 | 555,583 |
| Amounts owed to group undertakings (note 19) | 1,841,620 | 1,795,393 |
| Amounts owed to related parties (note 19) | 63,960 | 24,629 |
| Other creditors | 878,941 | 267,563 |
| | <u>14,791,699</u> | <u>10,845,559</u> |
| Company | 2020 | 2019 |
| | £ | £ |
| Trade creditors | 164,745 | 86,440 |
| Accruals | 9,412,173 | 7,480,917 |
| Pension creditors | 106,761 | 118,149 |
| Payroll creditors | 689,168 | 516,885 |
| Corporate tax payable | 1,634,331 | 555,583 |
| Amounts owed to group undertakings (note 19) | 2,042,734 | 1,795,393 |
| Amounts owed to related parties (note 19) | 51,010 | 24,629 |
| Other creditors | 1,003,941 | 267,563 |
| | <u>15,104,863</u> | <u>10,845,559</u> |

Waypoint Corporate Services Limited

Notes to the financial statements

at 31 December 2020

13. Creditors: amounts falling due after more than one year

| Group | 2020 | 2019 |
|---|-------------------|-------------------|
| | £ | £ |
| Lease incentive | 396,463 | 542,444 |
| Long term incentive plan – deferred bonus | 38,277,493 | 26,003,393 |
| Amount due to members of Kedge Capital PE LLP | 578,614 | - |
| | <u>39,252,570</u> | <u>26,545,837</u> |

| Company | 2020 | 2019 |
|---|-------------------|-------------------|
| | £ | £ |
| Lease incentive | 396,463 | 542,444 |
| Long term incentive plan – deferred bonus | 38,277,493 | 26,003,393 |
| | <u>38,673,956</u> | <u>26,545,837</u> |

14. Provisions for liabilities

| | | |
|-------------------------|----------------|----------------|
| | 2020 | 2019 |
| | £ | £ |
| Dilapidations provision | 800,532 | 800,532 |
| | <u>800,532</u> | <u>800,532</u> |

The dilapidations provision represents the present value of the total anticipated costs to the Company on termination of the premises operating lease. During the year, £87,331 (2019 - £87,331) was expensed to the profit and loss account as part of the depreciation of leasehold improvements.

15. Deferred taxation

| | | |
|---|------------------|------------------|
| | 2020 | 2019 |
| | £ | £ |
| Recognised deferred tax asset/(liability) | | |
| The deferred taxation asset within debtors relates to: | | |
| Depreciation in deficit of capital allowances | (37,742) | 20,794 |
| Other timing differences in respect of bonus/pension accruals | 1,518,217 | 1,214,148 |
| | <u>1,480,475</u> | <u>1,234,942</u> |

There are unrecognised deferred tax assets at 31 December 2020 of £5,990,905 (2019 – £3,425,251) predominantly in respect of timing differences related to a long term incentive plan. This asset has been written down and is no longer recognised in the balance sheet due to the extended timeframe of its recoverability.

During 2019 deferred tax assets valued at £902,057 were transferred from Kedge Capital (UK) Limited as part of a business transfer agreement.

Waypoint Corporate Services Limited

Notes to the financial statements

at 31 December 2020

16. Issued share capital

| | 2020 | 2019 |
|---|-------------|-------------|
| | £ | £ |
| Authorised: <i>Ordinary shares of £1 each</i> | 1 | 1 |
| | <u>2020</u> | <u>2019</u> |
| Allotted, called up and fully paid: <i>Ordinary shares of £1 each</i> | 1 | 1 |
| | <u>2020</u> | <u>2019</u> |

17. Pension commitments

The Group participates in defined contribution pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charges represent contributions payable by the Group to the funds. Unpaid contributions at the balance sheet date which are included in the financial statements as creditors are £106,761 (2019: £118,149).

18. Notes to the statement of cash flows

Reconciliation of profit to net cash inflow from operating activities

Group

| | 2020 | 2019 |
|--|------------------|------------------|
| | £ | £ |
| Operating profit | 3,458,573 | 2,654,592 |
| Depreciation | 416,229 | 367,132 |
| (Increase)/decrease in debtors | (16,906,273) | (7,815,142) |
| Increase/(decrease) in creditors | 15,574,124 | 6,415,147 |
| Purchase of tangible fixed assets | (445,292) | (211,587) |
| (Gain)/loss in foreign exchange | 69,219 | (8,126) |
| Net cash inflow from operating activities | <u>2,166,580</u> | <u>1,402,016</u> |

Company

| | 2020 | 2019 |
|--|------------------|------------------|
| | £ | £ |
| Operating profit | 3,386,242 | 2,654,592 |
| Depreciation | 416,229 | 367,132 |
| (Increase)/decrease in debtors | (16,847,678) | (7,815,142) |
| Increase/(decrease) in creditors | 15,308,673 | 6,415,147 |
| Purchase of tangible fixed assets | (445,292) | (211,587) |
| (Gain)/loss in foreign exchange | 69,219 | (8,126) |
| Net cash inflow from operating activities | <u>1,887,393</u> | <u>1,402,016</u> |

Waypoint Corporate Services Limited

Notes to the financial statements

at 31 December 2020

19. Related party transactions**Group**

During the year the Group entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 31 December, are as follows:

| | <i>Income for services supplied</i> | <i>Expenses for services received</i> | <i>Disbursements paid on behalf of</i> | <i>Amounts owed by related parties</i> | <i>Amounts owed to related parties</i> |
|--------------------------------------|---|---|--|--|--|
| | £ | £ | £ | £ | £ |
| Entities not under common control: | | | | | |
| 2020 | 121,390 | - | 20,714 | 142,103 | - |
| 2019 | 110,439 | - | 51,569 | 120,598 | - |
| Other entities under common control: | | | | | |
| 2020 | 40,726,273 | - | 37,587 | 15,252,595 | 1,905,580 |
| 2019 | 29,397,139 | - | 212,846 | 6,913,129 | 1,820,022 |

a) Transactions with subsidiaries and associates

During the year the Group held short term loan notes with Waypoint Treasury Limited, a Company under common control. At year end the loan notes totalled £26,512,705 (2019 - £18,240,868).

On 1 April 2019, the Company acquired certain assets and liabilities of Kedge Capital (UK) Limited, a company within the Waypoint Group. The consideration (including deferred consideration) for the acquisition was £nil. See Note 20 for further information.

b) Key Management Personnel

All Directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Company and other group entities are considered to be key management personnel. Total remuneration in respect of these individuals is £3,537,873 (2019: £3,427,831).

Company

The Company has taken advantage of the exemption in FRS 102 relating to transactions between 100% owned subsidiaries, by not disclosing information on related party transactions with entities that are part of the Group, or investees of the Group qualifying as related parties.

Waypoint Corporate Services Limited

Notes to the financial statements

at 31 December 2020

20. Other financial commitments

Future minimum rental payable under non-cancellable operating leases are as follows:

| | <i>Land and buildings</i> | |
|----------------------|---------------------------|------------------|
| | <i>2020</i> | <i>2019</i> |
| | £ | £ |
| Within one year | 1,642,491 | 1,642,491 |
| In two to five years | 2,532,174 | 4,174,665 |
| In over five years | - | - |
| | <u>4,174,665</u> | <u>5,817,156</u> |

21. Ultimate controlling party

The Group's ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Waypoint Group Holdings SA, a company incorporated in Switzerland. The registered address of Waypoint Group Holdings SA is 31-33 Avenue Giuseppe Motta, 1202 Geneva, Switzerland.

In the Directors' opinion the Group's ultimate controlling party is Ernesto Bertarelli.

The immediate parent undertaking of Waypoint Corporate Services Limited is Waypoint Holdings (Switzerland) SA, a company incorporated in Switzerland. The registered address of Waypoint Holdings (Switzerland) SA is 31-33 Avenue Giuseppe Motta, 1202 Geneva, Switzerland.