

Waypoint Corporate UK Limited

Annual Report and Consolidated Financial Statements

For the year ended 31 December 2013

SATURDAY



A3GBM6X7

A12

13/09/2014

#10

COMPANIES HOUSE

Waypoint Corporate UK Limited

Registered No: 07849817

Directors

J Arnold
R Singh

Secretary

C Breen

Auditors

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

Bankers

C. Hoare & Co.

Registered Office

1 Curzon Street
London
W1J 5HD

Directors' report

The directors present their consolidated report and financial statements for the Group for the year from 01 January 2013 to 31 December 2013. The Company was incorporated on 16 November 2011 and began trading on 1 April 2012.

Results and dividends

The consolidated profit/(loss) on ordinary activities, after taxation, for the year ended 31 December 2013 amounted to £154,024 (2012 – loss of £48,650).

The directors do not recommend a dividend payment.

Principal activity and review of the business

The principal activity of the Group and Company during the year was the provision of fund management support services.

The key performance indicators of the Group are turnover £1,120,834 (2012 - £3,281,773) and operating costs £959,201 (2012 - £3,339,390).

Principal risks and uncertainties

The principal risk to the Group would be a significant reduction in its clients' businesses. As stated below, the Group will be put into voluntary liquidation.

Going concern

As part of the restructuring process in the Waypoint Capital Holdings (Jersey) Limited Group, the Group will be put into voluntary liquidation within 12 months from the date of this report. The Group had a cash balance of £159,434 at 31 December 2013 (2012 - £1,916,238) and does not have any external debt. In addition, the Directors have the financial support of its parent company, Waypoint Capital Holdings (Jersey) Limited. The directors have a reasonable expectation that the Group has adequate resources to settle any outstanding liabilities.

As it is the intention of the directors to dissolve the company during 2014, the directors have prepared the financial statements on the break-up basis. Accordingly, all assets and liabilities have been classified as current and written down to their recoverable amount, the book value, at which they will be transferred to another group entity.

Directors

The directors who served the Company during the year were as follows:

J Arnold

W Weston (resigned 31/03/2013)

R Singh

Charitable donations

During the year the Company donated £NIL (2012 - £356,000). This represented donations to The Bertarelli UK Foundation in 2012.

Directors' report

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 Groups' 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.

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 put to the members at the Annual General Meeting.

By order of the board:



Ravi Singh
Director

Date: 6 May 2014

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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (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 year. 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 they have complied with the above requirements when preparing these financial statements.

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

We have audited the financial statements of Waypoint Corporate UK Limited for the year ended 31 December 2013 which comprise the Consolidated Profit and Loss account, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Consolidated Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2013 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- ▶ adequate accounting records have not been kept by the parent company, 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.

Ernst & Young LLP

Geraint Davies (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Jersey, Channel Islands
8 May 2014

Consolidated profit and loss account

For the year ended 31 December 2013

		01 Jan 2013 - 31 Dec 2013	16 Nov 2011 - 31 Dec 2012
	Notes	£	£
Turnover	2	1,120,834	3,281,773
Administrative expenses		(959,201)	(3,339,390)
Operating profit/(loss)	3	161,633	(57,617)
Interest receivable and similar income		1,041	317
Profit/(loss) on ordinary activities before taxation		162,674	(57,300)
Tax	4	(8,650)	8,650
Profit/(loss) for the financial year		154,024	(48,650)

Consolidated statement of recognised gains and losses

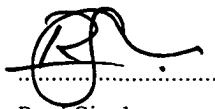
There are no recognised gains or losses other than the profit attributable to shareholders of the company of £154,024 (2012 – loss of £48,650) for the year.

Consolidated balance sheet


at 31 December 2013

	Notes	31 Dec 2013 £	31 Dec 2012 £
Fixed assets			
Tangible assets	8	—	21,641
Current assets			
Debtors	10	—	66,229
Cash at bank		159,434	1,916,238
		159,434	1,982,467
Creditors: amounts falling due within one year	11	(54,059)	(2,052,757)
Net current assets/(liabilities)		105,375	(70,290)
Total assets less current liabilities		105,375	(48,649)
Capital and reserves			
Called up share capital	13	1	1
Profit and loss account	14	105,374	(48,650)
Equity shareholder deficit	14	105,375	(48,649)

The financial statements on pages 6 to 18 were approved by the board of directors on 6 May 2014 and were signed on its behalf by:



Ravi Singh
Director



Jeremy Arnold
Director

Company balance sheet

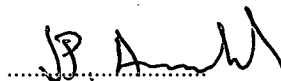
at 31 December 2013

	Notes	31 Dec 2013 £	31 Dec 2012 £
Fixed assets			
Tangible assets	8	–	21,641
Investment in subsidiary undertaking	9	–	–
		–	21,641
Current assets			
Debtors	10	–	77,783
Cash at bank		109,753	1,275,155
		109,753	1,352,938
Creditors: amounts falling due within one year	11	(17,900)	(1,423,228)
Net current assets/(liabilities)		91,853	(70,290)
Total assets less current liabilities		91,853	(48,649)
Capital and reserves			
Called up share capital	13	1	1
Profit and loss account		91,852	(48,650)
Shareholder deficit - equity interests		91,853	(48,649)

The financial statements on pages 6 to 18 were approved by the board of directors on 6 May 2014 and were signed on its behalf by:



Ravi Singh
Director



Jeremy Arnold
Director

Consolidated statement of cash flows

for the year ended 31 December 2013

	Notes	01 Jan 2013 - 31 Dec 2013 £	16 Nov 2011- 31 Dec 2012 £
Net cash (outflow)/inflow from operating activities	16(a)	(1,769,419)	1,941,261
Returns on investments and servicing of finance	16(b)	1,041	317
Taxation	16(b)	–	–
Capital expenditure and financial investment	16(b)	11,945	(25,126)
Net cash (outflow)/inflow before management of liquid resources and financing		(1,756,433)	1,916,452
(Decrease)/increase in cash in the year	16(c)	(1,756,433)	1,916,452

Reconciliation of net cash flow to movement in net funds

	01 Jan 2013 - 31 Dec 2013 £	16 Nov 2011- 31 Dec 2012 £
(Decrease)/increase in cash in the year	(1,756,433)	1,916,452
Movement in net funds	(1,756,433)	1,916,452
Opening net funds	1,916,238	–
Movement in foreign exchange	(371)	(214)
Net funds as at 31 December	159,434	1,916,238

Notes to the financial statements

at 31 December 2013

1. Accounting policies

Basis of preparation

The financial statements have been prepared on the break-up basis as it is the intention of the directors to dissolve the company during 2014. Assets and liabilities have been classified as current and written down to their recoverable amount, the book value, at which they will be transferred to another group entity.

Group financial statements

The Group financial statements consolidate the financial statements of Waypoint Corporate UK Limited and its subsidiary, being Kedge Capital LLP. Kedge Capital LLP's current accounting year is from 1 April 2013 to 31 March 2014. For the year ending 31 March 2014 the Partnership was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Turnover

Turnover is accounted for on an accruals basis.

Other income and administrative expenses

Other income and administrative expenses are accounted for on an accruals basis.

Tangible fixed assets

Tangible fixed assets were stated at cost and then depreciated. All tangible fixed assets have been sold before year end.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life, as follows:

Computer equipment	–	3 years
Fixtures, fittings & equipment	–	3 years
Bicycles	–	18 months

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Pensions

The Group operates 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.

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.

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.

Notes to the financial statements

at 31 December 2013

1. Accounting policies (continued)

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

Foreign currencies

The functional currency of the Company is GBP and transactions in foreign currencies are recorded at the rate 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.

Strategic report

The Company is exempt from presenting a strategic report on the grounds of size.

2. Turnover

Turnover is attributable to the provision of fund management support services.

	01 Jan 2013- 31 Dec 2013	16 Nov 2011- 31 Dec 2012
	£	£
Turnover attributable to fund management support services	1,120,834	3,281,773
Total turnover for the year	<u>1,120,834</u>	<u>3,281,773</u>

3. Operating loss

This is stated after charging/(crediting):

	01 Jan 2013- 31 Dec 2013	16 Nov 2011- 31 Dec 2012
	£	£
Auditors' remuneration – audit services	15,500	14,500
Depreciation of tangible assets	9,697	3,485
Loss on foreign exchange transactions	370	214
Members' remuneration charged as an expense (refer note 7)	154,806	115,140
Charitable donations	–	356,000
	<u> </u>	<u> </u>

Auditors' remuneration for audit services in the year for the Company was £10,500.

Notes to the financial statements

at 31 December 2013

4. Tax

Group and Company

(a) Tax on profit on ordinary activities

	01 Jan 2013- 31 Dec 2013	16 Nov 2011- 31 Dec 2012
	£	£
The tax charge is made up as follows:		
Current tax:		
UK corporation tax on profit for the year	–	–
Deferred tax	8,650	(8,650)
	<u>8,650</u>	<u>(8,650)</u>
Tax on profit on ordinary activities	<u>8,650</u>	<u>(8,650)</u>

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

A reconciliation is provided below:

	01 Jan 2013- 31 Dec 2013	16 Nov 2011- 31 Dec 2012
	£	£
Profit/(loss) on ordinary activities before taxation	162,674	(57,300)
Profit/(loss) on ordinary activities before taxation multiplied by the weighted average standard rate of UK corporate tax of 23.25% (2012 - 24%)	37,822	(13,752)
Effects of:		
Disallowable expenses	23	262
Unutilised charitable donations	–	4,473
Difference between partnership profit and taxable partnership income	(2,156)	–
Depreciation in excess of capital allowances	1,872	–
Difference in tax rates	–	377
Other timing differences	(3,491)	–
Write-off of deferred tax asset brought forward	8,650	–
Adjustments to taxable loss	–	(10)
Group relief claimed for no payment	(34,070)	–
Current tax charge/(credit) (note 4(a))	<u>8,650</u>	<u>(8,650)</u>

5. Staff costs

Group and Company

	01 Jan 2013- 31 Dec 2013	16 Nov 2011- 31 Dec 2012
	£	£
Wages and salaries	395,612	1,961,421
Social security costs	47,950	255,470
Other pension costs – defined contribution	48,015	115,233
	<u>491,577</u>	<u>2,332,124</u>

Included in Staff costs are the directors' emoluments shown in note 6 below.

Notes to the financial statements

at 31 December 2013

5. Staff costs (continued)

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

	01 Jan 2013- 31 Dec 2013	16 Nov 2011- 31 Dec 2012
	No.	No.
Administration	1	—
Hedge Funds support	3	8
Private Equity support	1	2
	<u>5</u>	<u>10</u>

6. Directors' emoluments

Group and Company

	01 Jan 2013- 31 Dec 2013	16 Nov 2011- 31 Dec 2012
	£	£
Emoluments	50,093	218,000
Company contributions to defined contribution pension schemes	11,000	57,000
	<u>61,093</u>	<u>275,000</u>

	01 Jan 2013- 31 Dec 2013	16 Nov 2011- 31 Dec 2012
	No.	No.
Members of defined contribution pension schemes	<u>1</u>	<u>1</u>

There was only one salaried director in the year.

7. 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 LLP made distributions of £154,806 (2012 - £115,140) to its members in the year, which have been expensed in 'Administration expenses' within the consolidated profit and loss account.

Notes to the financial statements

at 31 December 2013

8. Tangible fixed assets

Group

	<i>Bicycles</i>	<i>Computer equipment</i>	<i>Total</i>
	£	£	£
Cost or valuation			
At 31 December 2012	3,439	21,687	25,126
Additions	-	6,341	6,341
Disposals	(3,439)	(28,028)	(31,467)
At 31 December 2013	-	-	-
Depreciation			
At 31 December 2012	955	2,530	3,485
Charge for the year	1,911	7,786	9,697
Disposals	(2,866)	(10,316)	(13,182)
At 31 December 2013	-	-	-
Net book value			
At 31 December 2013	-	-	-
At 31 December 2012	2,484	19,157	21,641

9. Investments

Company

Investment undertakings

On the 15 June 2012, its date of incorporation, the Company became the managing member of Kedge Capital LLP, a Limited Liability Partnership incorporated in England & Wales. The Company has included the LLP in its consolidated group financial statements.

The managing member is entitled to a 100% profit share from the LLP, the other operating members receive guaranteed expensed drawings.

10. Debtors

	<i>Group</i>		<i>Company</i>	
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	£	£	£	£
Trade debtors	-	3,224	-	-
VAT reclaimable	-	33,537	-	33,537
Prepayments and accrued income	-	20,818	-	20,818
Amounts due from subsidiary undertakings	-	-	-	14,778
Deferred tax	-	8,650	-	8,650
	-	66,229	-	77,783

Notes to the financial statements

at 31 December 2013

11. Creditors: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	<i>2013</i>	<i>2012</i>	<i>2013</i>	<i>2012</i>
	£	£	£	£
Trade creditors	2,556	8,439	–	8,439
Accruals	27,900	41,333	17,900	33,833
Pension creditors	–	15,017	–	15,017
Payroll creditors	–	962,000	–	962,000
Amounts owed to related parties	23,603	836,923	–	214,894
Social security	–	189,045	–	189,045
	<u>54,059</u>	<u>2,052,757</u>	<u>17,900</u>	<u>1,423,228</u>

12. Deferred taxation

	<i>2013</i>	<i>2012</i>
	£	£
Recognised deferred tax asset		
The deferred taxation asset within debtors relates to:		
Depreciation in excess of capital allowances	–	5,196
Other timing differences	–	3,454
	<u>–</u>	<u>8,650</u>

There are unrecognised deferred tax assets at 31 December 2013 of £4,929 in respect of accelerated capital allowances.

Legislation was introduced in Finance Act 2013 to reduce the main rate of corporation tax from 23% to 21% with effect from 1 April 2014 and 20% with effect from 1 April 2015.

13. Issued share capital

	<i>2013</i>		<i>2012</i>	
<i>Allotted, called up and fully paid</i>	<i>No.</i>	£	<i>No.</i>	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

Notes to the financial statements

at 31 December 2013

14. Reconciliation of shareholders' funds and movements on reserves

Group

	<i>Share capital</i> £	<i>Profit and loss account</i> £	<i>Total equity shareholder deficit</i> £
At 31 December 2012	1	(48,650)	(48,649)
Issue of share capital	–	–	–
Profit for the year	–	154,024	154,024
At 31 December 2013	1	105,374	105,375

15. Pension commitments

The Group operates 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 year end which are included in the financial statements as creditors are £NIL (2012 - £15,017).

16. Notes to the statement of cash flows

(a) Reconciliation of operating loss to net cash inflow from operating activities

	<i>2013</i> £	<i>2012</i> £
Operating profit/(loss)	161,633	(57,617)
Depreciation of tangible fixed assets	9,697	3,485
Decrease/(increase) in debtors	57,579	(57,579)
(Decrease)/increase in creditors	(1,998,698)	2,052,758
Loss in foreign exchange	370	214
Net cash (outflow)/inflow from operating activities	(1,769,419)	1,941,261

(b) Analysis of cash flows for headings netted in the Statement of Cash Flows

	<i>2013</i> £	<i>2012</i> £
Returns on investments and servicing of finance		
Interest received	1,041	317
Net cash inflow from returns of investments and servicing of finance	1,041	317

Notes to the financial statements

at 31 December 2013

16. Notes to the statement of cash flows (continued)

	2013 £	2012 £
Capital expenditure and financial investment		
Payments on (acquisition)/disposal of tangible fixed assets	11,945	(25,126)
Net cash inflow/(outflow) from capital expenditure and financial investment	11,945	(25,126)

(c) Analysis of net funds

	31 Dec 2012 £	Cash flow £	Movement in FX £	31 Dec 2013 £
Net cash:				
Cash at bank and in hand	1,916,238	(1,756,433)	(371)	159,434
Net funds	1,916,238	(1,756,433)	(371)	159,434

17. Related party transactions

Group

Transactions between the Group and related parties are set out below:

During the year the Group charged Kedge Capital Fund Management Limited, an entity under common control with the Group, £1,083,184 (2012 - £3,193,923) for support services, of which £NIL (2012 - £656,077) was due at year end (included in creditors note 11).

During the year the Group paid Waypoint Corporate Services Limited, an entity under common control with the Group, £125,450 (2012 - £100,659) for shared services and £126,159 (2012 - £160,625) for disbursements paid on its behalf, of which £NIL (2012 - £121,849) was outstanding at year end (included in creditors note 11).

At year end amounts due to members of Kedge Capital LLP totalled £22,975 (2012 - £58,997) (included in creditors note 11).

At year end an amount of £628 was owed to Waypoint Corporate Services Limited for disbursements.

Company

During the year the Company charged Kedge Capital Fund Management Limited, an entity under common control with the Group, £882,000 (2012 - £3,056,955) for support services, of which £NIL was due at year end (2012 - creditor of £93,045).

During the year the Company paid Waypoint Corporate Services Limited, an entity under common control with the Group, £125,450 (2012 - £100,659) for shared services and £126,159 (2012 - £160,625) for disbursements paid on its behalf, of which £NIL (2012 - £121,849) was outstanding at year end (included in creditors note 11).

Effective on 1 April 2014 all employees of the company have been transferred to Kedge Capital (UK) Limited, an entity under common control.

Notes to the financial statements

at 31 December 2013

18. Ultimate controlling party

The Company is controlled by Waypoint Capital Holdings (Jersey) Limited.

In the Directors' opinion, the Company's ultimate controlling party is the Bertarelli family.

Waypoint Capital Holdings (Jersey) Limited's registered address is:

28-30 The Parade

St Helier

Jersey

JE1 1ZZ