

Registered number: 08653224

GREAT POINT INVESTMENTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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GREAT POINT INVESTMENTS LIMITED

COMPANY INFORMATION

| | |
|----------------------------|--|
| Directors | D K J Perkins J E T Reeve K J Yau |
| Company secretary | L K Macara |
| Registered number | 08653224 |
| Registered office | 13-14 Buckingham Street London WC2N 6DF |
| Independent auditor | Hillier Hopkins LLP Chartered Accountants & Statutory Auditor 45 Pall Mall London SW1Y 5JG |

GREAT POINT INVESTMENTS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Introduction

The directors present their strategic report for Great Point Investments Limited (Firm) for the year ended 31 March 2022.

Business review

The Firm is a fully owned subsidiary of Great Point Media Limited (together, Group). The Company is regulated by the Financial Conduct Authority (with firm reference number 606798) and has permissions to act as a small authorised alternative investment fund manager ("AIFM").

The Firm's principal activity is the provision of both discretionary and alternative investment fund management services to both retail and institutional investors across a range of investee companies operating in the global creative industries sector.

The operating profit of the Firm has increased. Fee income has increased on the newer funds under management, Great Point Ventures and in particular Great Point Estate Planning which increased assets under management by £15m to £18m this year, driven by greater traction of the product amongst the financial advisory community and a need for investors to increase asset diversification within their portfolios. Overheads were lower this year as last year included one off professional fees incurred on the proposed launch of a new investment trust.

As at 31 March 2022, the Firm's total funds under management were £107.597m (2021: £135.390m).

Principal risks and uncertainties

As identified in the Firm's Internal Capital Adequacy Risk Assessment ("ICARA"), the principal risks to the business are operational risk, business & strategic risk, liquidity risk and regulatory risk.

Operational Risk

Operational risk is the risk that failure of people, processes, systems or external events result in financial loss, damage to the reputation of the Firm, or adverse regulatory intervention or fines. The Firm has exposure to a number of operational risks which would threaten the Firm's ability to meet its business objectives such as business disruption & system failure, cyber-attack, outsourced service failure, financial crime, process failure, investment & fund management and financial and tax management. Operational risks are managed in accordance with the Firm's operational risk standards, the risks and controls are assessed, and the Firm considers the residual risk against its risk appetite.

The ongoing impact of the COVID-19 pandemic on the health and well-being of staff was a key consideration for the Board throughout the year. The Firm continued to implement its business continuity plan, with all staff being required to work remotely for their own safety. Looking ahead to the next financial year, the Firm will be moving into new offices and implementing a "hybrid" approach of both in office and from home working styles.

Business & Strategic Risk

Business risk is the risk caused by uncertainty in the macroeconomic environment, impacting the Firm's ability to carry out its business plan or desired strategy. The Firm adopts conservative assumptions in all its business and strategic planning. Changes to the wider business environment and business and strategic risks are monitored by the Board, with particular focus currently as to the inflationary pressures on global economies, geopolitics and the spectre of recession at both a national and international level and the impact these factors collectively have on the ability to successfully raise and deploy capital in both the retail and institutional marketplace.

Liquidity Risk

This is the risk that the Firm either does not have available sufficient financial resources to enable it to meet its obligations as they fall due or can only secure such resources at excessive cost. The Firm maintains liquid

GREAT POINT INVESTMENTS LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

resources which are adequate, both as to the amount and quality, to ensure there is no significant risk that we are unable to meet our liabilities as they fall due, particularly in times of extreme uncertainty. We are required to have robust strategies, policies and processes and systems to enable us to identify, manage and monitor liquidity risk over an appropriate set of time horizons to ensure that we maintain adequate levels of liquidity buffers.

Regulatory Risk

Regulatory risk is defined as the failure to meet the regulatory obligations and standards required by the regulator. This includes corporate culture, ethical standards and fiduciary duties. The Compliance Officer is responsible for monitoring and ensuring compliance with the relevant regulations with the support of external consultants and legal counsel as required.

Key performance indicators

The directors use a number of financial and non-financial KPIs to monitor and assess the performance of the Firm. The principal KPIs are:

| KPI | Why we measure it | How we performed | |
|--------------------------|--|------------------|-----------|
| | | 2022 | 2021 |
| Funds under management | To ensure we are successful in meeting our business plan and growing the business | £107.597m | £135.390m |
| Operating profit/ (loss) | To track the underlying performance of the business and against our business model to ensure it delivers profits | £94k | £(144)k |
| Number of complaints | To ensure we are servicing our customers fairly and satisfactorily | None | None |

The decrease in overall funds under management is as a result of the continuing efforts to exit existing closed-ended offers that have now reached maturity. Overall, the Firm has grown funds under management in relation to its open retail focussed strategies. Fundraising for Great Point Ventures EIS was paused during the period and will look to recommence once the offer has successfully exited at least one portfolio company and built a track record that is able to drive commercially viable investment inflows. Great Point Estate Planning is expected to continue its strong growth into the coming year. The Firm is now focussed on further, significant growth through its institutional focussed strategies

GREAT POINT INVESTMENTS LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Directors' statement of compliance with duty to promote the success of the Company

Under Section 172 of the Companies Act 2006 the Directors of Great Point Investment Limited (Great Point and/or the Company) are required to give an annual statement which describes how they have had regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 when discharging their duty under that section.

The Directors of the Company must act in the way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, they should have regard to a range of factors as detailed in this report.

The Company considers its key stakeholders to be employees, clients, suppliers, the community & environment, regulators and shareholders.

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

Depending on the decision in question, the relevance of each particular stakeholder group may differ, and equally the Board adopts a variety of methods of engagement with different stakeholder groups. The Board will sometimes engage directly with certain stakeholders on certain issues, but this may also take place at an operational level.

The Board considers and discusses information from across the Company to help it understand the impact of the Company's operations and the interests and views of our key stakeholders. It also reviews strategy, financial and operational performance as well as information covering areas such as key risks, 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.

The Directors of the Company have due regard to the each of the requirements of section 172 of the Companies Act 2006 as follows:

The likely consequences of any decision in the long term

The Board is responsible for the management and oversight of the Company's business and operations. The Board will always consider the likely consequence of any decision in the long term. This is achieved through discussion with key stakeholders, and also data modelling where appropriate.

The need to act fairly between members of the Company

The Company is a wholly owned subsidiary of Great Point Media Limited. The duties of the Directors of the Company are exercised in a way that is most likely to promote the success of the Company for the group as a whole.

The interests of the Company's employees

Great Point Media group puts a strong emphasis on internal collaboration, teamwork, and morale, which produces a high level of employee satisfaction. It has a flat internal structure, and all members of the organisation have direct access to company leaders. The culture strongly values loyalty, a company-wide shared vision and goals, and ongoing employee development. The Company has an annual appraisal process and employees receive ongoing education about our products and services, external market conditions, and regulatory requirements.

GREAT POINT INVESTMENTS LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

The need to foster the Company's business relationships with suppliers, customers and others

As a provider of financial services to individuals, client relationship management is at the core of the Company's business. The Client Relationship team build and maintain relationships with current and potential clients to understand their objectives and requirements. The Company has several key services provided by external entities. These outsourced services are monitored on a regular basis and updates provided to the Board. We always work with integrity and transparency, which underpin our valued relationships with clients, regulatory bodies, and all other stakeholders.

The impact of the Company's operations on the community and the environment

There are minimal direct environmental impacts due to the Company's activities, however, the Company will actively seek to reduce the environmental impact of its partners and stakeholders. Key environmental and community concerns will be discussed with partners and stakeholders which the Board hopes may influence others to ensure they take their environmental responsibilities seriously.

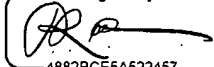
The Company has adopted a diversity and inclusion policy and whilst it does not publish its diversity and gender and pay gap (as it has a small team and such information could be used to identify the pay of certain individuals), it monitors it on an annual basis to ensure that it complies with its policy of equality. In addition to this, the Company seeks to contribute to providing greater opportunities for diverse groups in the media industry.

The desirability of the Company maintaining a reputation for high standards of business conduct

The Board has an important role in ensuring that the culture of Great Point is embedded throughout the Company and that the conduct of employees is in accordance with this culture. The Board are responsible for regularly reviewing the product offerings and ensuring that products are managed and perform against their objectives. Furthermore, the Company works with its regulators in an open and proactive manner and sets high standards of governance with the belief that in so doing the Company will further develop its reputation within the sector.

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

DocuSigned by:



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J E T Reeve
Director

Date: 7/21/2022

GREAT POINT INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

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

Directors

The Directors who served during the year were:

D K J Perkins
J E T Reeve
K J Yau

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £158,199 (2021 - loss £143,764).

Dividends of £nil (2021 - £nil) were declared in the year.

Future developments

The directors aim to maintain the management policies currently in place. No significant changes are anticipated.

GREAT POINT INVESTMENTS LIMITED

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

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

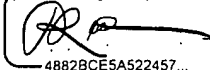
There have been no significant events affecting the company since the year end.

Auditor

The auditor, Hillier Hopkins 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.

DocuSigned by:



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J E T Reeve
Director

Date: 7/21/2022

GREAT POINT INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT POINT INVESTMENTS LIMITED

Opinion

We have audited the financial statements of Great Point Investments Limited (the 'Company') for the year ended 31 March 2022, which comprise the Statement of income and retained earnings, the Balance sheet, the Statement of cash flows and the related notes, 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 Financial Reporting Standard 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 state of the Company's affairs as at 31 March 2022 and of its 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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.

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

GREAT POINT INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT POINT INVESTMENTS LIMITED (CONTINUED)

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 our report, we do not express any form of assurance conclusion thereon. 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 this gives rise to 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 the 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the 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 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 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.

GREAT POINT INVESTMENTS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT POINT INVESTMENTS LIMITED
(CONTINUED)**

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.

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:

- the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, FCA regulations and relevant tax legislation.

GREAT POINT INVESTMENTS LIMITED

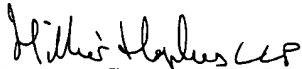
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT POINT INVESTMENTS LIMITED
(CONTINUED)**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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.



Jonathan Franks FCA (Senior statutory auditor)

for and on behalf of
Hillier Hopkins LLP

Chartered Accountants
Statutory Auditor

45 Pall Mall
London
SW1Y 5JG

Date: 21/07/2022

GREAT POINT INVESTMENTS LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2022**

| | Note | 2022 £ | 2021 £ |
|---|------|----------------|------------------|
| Turnover | 4 | 470,892 | 905,971 |
| Cost of sales | | (200,777) | (652,266) |
| Gross profit | | 270,115 | 253,705 |
| Administrative expenses | | (176,486) | (397,967) |
| Operating profit/(loss) | 5 | 93,629 | (144,262) |
| Interest receivable and similar income | | 473 | 498 |
| Profit/(loss) before tax | | 94,102 | (143,764) |
| Tax on profit/(loss) | 8 | 64,097 | - |
| Profit/(loss) after tax | | 158,199 | (143,764) |
| Retained earnings at the beginning of the year | | 270,685 | 414,449 |
| Profit/(loss) for the year | | 158,199 | (143,764) |
| Retained earnings at the end of the year | | 428,884 | 270,685 |

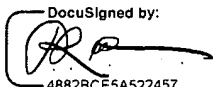
The notes on pages 15 to 20 form part of these financial statements.

GREAT POINT INVESTMENTS LIMITED
REGISTERED NUMBER: 08653224

BALANCE SHEET
AS AT 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|---|------|-----------------------|-----------------------|
| Current assets | | | |
| Debtors: amounts falling due within one year | 9 | 101,321 | 93,498 |
| Cash at bank and in hand | 10 | 511,609 | 623,219 |
| | | <u>612,930</u> | <u>716,717</u> |
| Creditors: amounts falling due within one year | 11 | (96,222) | (356,725) |
| Net current assets | | <u>516,708</u> | <u>359,992</u> |
| Total assets less current liabilities | | <u>516,708</u> | <u>359,992</u> |
| Creditors: amounts falling due after more than one year | 12 | (7,823) | (9,306) |
| Net assets | | <u><u>508,885</u></u> | <u><u>350,686</u></u> |
| Capital and reserves | | | |
| Called up share capital | 13 | 80,001 | 80,001 |
| Profit and loss account | 14 | 428,884 | 270,685 |
| | | <u><u>508,885</u></u> | <u><u>350,686</u></u> |

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

DocuSigned by:


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J E T Reeve
 Director

Date: 7/21/2022

The notes on pages 15 to 20 form part of these financial statements.

GREAT POINT INVESTMENTS LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

| | 2022 £ | 2021 £ |
|---|-----------------------|-----------------------|
| Cash flows from operating activities | | |
| Profit/(loss) for the financial year | 158,199 | (143,764) |
| Adjustments for: | | |
| Interest received | (473) | (498) |
| Taxation charge | (64,097) | - |
| (Increase)/decrease in debtors | (8,515) | 337,881 |
| (Decrease) in creditors | (261,986) | (75,094) |
| Corporation tax received | 64,789 | 75,001 |
| Net cash generated from operating activities | <u>(112,083)</u> | <u>193,526</u> |
| Cash flows from investing activities | | |
| Interest received | 473 | 498 |
| Net cash from investing activities | <u>473</u> | <u>498</u> |
| Net (decrease)/increase in cash and cash equivalents | <u>(111,610)</u> | <u>194,024</u> |
| Cash and cash equivalents at beginning of year | 623,219 | 429,195 |
| Cash and cash equivalents at the end of year | <u><u>511,609</u></u> | <u><u>623,219</u></u> |
| Cash and cash equivalents at the end of year comprise: | | |
| Cash at bank and in hand | <u><u>511,609</u></u> | <u><u>623,219</u></u> |

The notes on pages 15 to 20 form part of these financial statements.

GREAT POINT INVESTMENTS LIMITED

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2022**

| | At 1 April 2021 £ | Cash flows £ | At 31 March 2022 £ |
|--------------------------|-------------------------|------------------|--------------------------|
| Cash at bank and in hand | 623,219 | (111,610) | 511,609 |
| | <u>623,219</u> | <u>(111,610)</u> | <u>511,609</u> |

The notes on pages 15 to 20 form part of these financial statements.

GREAT POINT INVESTMENTS LIMITED

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

1. General information

Great Point Investments Limited is a company limited by shares incorporated in the United Kingdom, registered in England and Wales. The address of the registered office is 13-14 Buckingham Street, London, WC2N 6DF.

The principal activity of the company is that of promotion, marketing and management of investment funds.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

2.2 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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

GREAT POINT INVESTMENTS LIMITED

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

2. Accounting policies (continued)

2.3 Revenue

Revenue recognised by the company comprises fees for professional services supplied during the year relating to the promotion, marketing and management of investment funds in the media sector. Revenue from a contract to provide services is recognised in the period in which the services are provided.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Taxation

Tax is recognised in profit or loss 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.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits 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.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.8 Creditors

Short term creditors are measured at the transaction price.

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

GREAT POINT INVESTMENTS LIMITED

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

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

The preparation of the financial statements in conformity with generally accepted accounting principles requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results in the future could differ from those estimates. In this regard, the Directors believe that the critical accounting policies where judgments or estimations are necessarily applied are summarised below.

Revenue Recognition

An appropriate proportion of revenue, sufficient to cover future costs and margin is deferred to future periods when the Company has obligations extending to future periods. As a result, judgement is required in assessing the extent and associated costs of fulfilling those contracts.

4. Turnover

An analysis of turnover by class of business is as follows:

| | 2022 £ | 2021 £ |
|-----------------|----------------|----------------|
| Investment fees | 470,892 | 905,971 |
| | <u>470,892</u> | <u>905,971</u> |

All turnover arose within the United Kingdom.

5. Operating profit/(loss)

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

| | 2022 £ | 2021 £ |
|----------------------|-----------|-------------|
| Exchange differences | 58 | (37) |
| | <u>58</u> | <u>(37)</u> |

6. Auditor's remuneration

| | 2022 £ | 2021 £ |
|---|--------------|--------------|
| Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements | 3,650 | 3,450 |
| | <u>3,650</u> | <u>3,450</u> |
| Fees payable to the Company's auditor and its associates in respect of: | | |
| All other services | 4,500 | 3,950 |
| | <u>4,500</u> | <u>3,950</u> |

GREAT POINT INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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7. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2021 - £NIL).

8. Taxation

| | 2022 £ | 2021 £ |
|--|-----------------|-----------|
| Corporation tax | | |
| Current tax on profits for the year | 260 | - |
| Adjustments in respect of previous periods | (64,357) | - |
| Total current tax | <u>(64,097)</u> | <u>-</u> |

Factors affecting tax charge for the year

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

| | 2022 £ | 2021 £ |
|--|-----------------|------------------|
| Profit/(loss) on ordinary activities before tax | <u>94,102</u> | <u>(143,764)</u> |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%) | 17,979 | 27,315 |
| Group relief | (81,976) | (27,315) |
| Total tax charge for the year | <u>(64,097)</u> | <u>-</u> |

Factors that may affect future tax charges

On 3 March 2021 the Chancellor of the Exchequer announced an increase in the main rate of UK corporation tax to 25 per cent for businesses with profits greater than £250,000. Businesses with profits of £50,000 or less will continue to be taxed at 19% with marginal relief for profits up to £250,000. These changes were substantially enacted on 25 May 2021 and will take effect from 1 April 2023.

GREAT POINT INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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9. Debtors

| | 2022 £ | 2021 £ |
|--------------------------------|----------------|---------------|
| Trade debtors | 97,581 | 90,142 |
| Other debtors | 1 | 693 |
| Prepayments and accrued income | 3,739 | 2,663 |
| | <u>101,321</u> | <u>93,498</u> |

10. Cash and cash equivalents

| | 2022 £ | 2021 £ |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | 511,609 | 623,219 |
| | <u>511,609</u> | <u>623,219</u> |

11. Creditors: Amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|---------------|----------------|
| Trade creditors | 40,215 | 54,380 |
| Other taxation and social security | 17,606 | 23,651 |
| Accruals and deferred income | 38,401 | 278,694 |
| | <u>96,222</u> | <u>356,725</u> |

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

| | 2022 £ | 2021 £ |
|------------------------------|--------------|--------------|
| Accruals and deferred income | 7,823 | 9,306 |
| | <u>7,823</u> | <u>9,306</u> |

GREAT POINT INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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13. Share capital

| | 2022 | 2021 |
|--|---------------|---------------|
| | £ | £ |
| Allotted, called up and fully paid | | |
| 80,001 (2021 - 80,001) Ordinary shares of £1.00 each | 80,001 | 80,001 |

14. Reserves

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

15. Related party transactions

The Company is taking advantage of the exemptions available within FRS 102 not to disclose transactions within the Group.

The company has had transactions with entities with common members of key management personnel. During the year, the company made purchases from these entities totalling £442 (2021: £679,540) and invoiced these entities £381,982 (2021: £995,105). At the balance sheet date, £62,324 (2021: 40,658) was due from these entities.

16. Controlling party

The company's immediate and ultimate parent company is Great Point Media Limited, a company incorporated in England and Wales. The ultimate controlling party is J Reeve.