

G10 CAPITAL LIMITED

Annual Report and Financial Statements
for the Year Ended

31 December 2021

Registered Number: 09224491



Directors

Eric Fady
Justin Partington (Resigned 12 November 2021)
Paul Turner (Resigned 13 October 2021)
Rachel Aldridge (appointed 8 April 2021)
Andrew Shrimpton (appointed 21 May 2021)
Jean Legrand (appointed 21 May 2021)

Auditors

Deloitte LLP
Regency Court, Glatigny Esplanade
St. Peter Port, Guernsey, GY1 3HW

Company Registered Office

4th Floor, 3 More London Riverside, London, SE1 2AQ

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STRATEGIC REPORT

The Directors present their strategic report for the year ended 31 December 2021.

Change to Company Period End

These financial statements for G10 Capital Limited ("the Company") are presented for the year ended 31 December 2021. Comparative numbers are presented for the 9 months to 31 December 2020. The Company's period end has been changed to align with the wider IQ-EQ Group ("the Group").

Principal Activity

The principal activity of the company is investment Management Services and there was no change during the year. The Company is regulated by the Financial Conduct Authority.

Review of the Business

The profit for the year ended 31 December 2021 after taxation is £1,318,719 (9-month period ended 31 December 2020: £376,114). No dividends were declared during the year ended 31 December 2021 (9-month period ended 31 December 2020: nil).

The key financial and other performance indicators for the Company during the period were as follows:

| | Year Ended 31 December 2021 | 9-Month Period Ended 31 December 2020 |
|--|--------------------------------|---|
| Turnover | £ 2,799,186 | £ 905,948 |
| Operating Profit | £ 1,177,566 | £ 337,952 |
| Operating profit margin | 42.07% | 37.30% |
| Profit after tax | £ 1,318,719 | £ 376,114 |
| Equity shareholders' funds | £ 2,650,114 | £ 1,331,395 |
| Current assets as a % of current liabilities | 327% | 468% |

Turnover for the year ended 31 December 2021 has increased in comparison to the period ended 31 December 2020 (when this is pro-rated over a comparative period). This is due to strong market performance and new business opportunities through 2021. There has been a slight increase in the operating profit margin to 42.07%, this is as a result of continued investment in the Company for the future. Current assets to current liabilities percentage has remained strong at 327%.

Overall performance for 2021 has been in line with expectation, and the Company continues to look for opportunities to grow its client base further into the future, and benefits from referrals and expansion in the wider IQ-EQ Group.

STRATEGIC REPORT (continued)

Principal Risks and Uncertainties

The principal risks and uncertainties facing the Company are broadly as considered below:

Competitive Risks

The Company continues to be faced with competitive pressure from both new and existing competitors. However, this is seen as a healthy and encouraging environment as it continues to drive the company to evolve and improve, for the benefit of new and existing clients.

The Company remains competitive through marketing activities, being part of the wider IQ-EQ Group, and providing a standout service to its clients.

Credit Risks

Credit risk is the risk that a counterparty may fail to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments arising from selling services to customers. The Company continuously monitors defaults of customers and other counterparties, identified either individually or by Group, and incorporate this information into its credit risk controls. Invoicing is centralised through a Group company, as a result, the associated credit risk is borne by the Group company.

Liquidity Risks

Liquidity risk is the risk that the Company may not be able to meet its obligations as they come due. The Company manages its liquidity needs by carefully monitoring its cash outflows, and active management of its debtors and cash inflows. The Company has historically been cash-generative and remains to be so. As part of the Group, the Company benefits from the overall debt funding and liquidity being managed at a Group level.

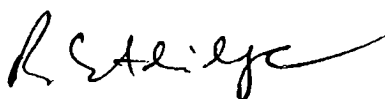
Economic Risks

Economic risk pertains to any economic condition change that may affect the normal business of the company. Attraction and retention of skilled and experienced staff encourage confidence in our abilities to deliver an excellent level of service to our clients and maintaining our reputation of a quality service provider in the marketplace.

Regulatory Risks

The Company is regulated by the Financial Conduct Authority (FCA), as such there is a risk that the Company could breach its regulatory requirement or be impacted by changes in laws and regulations. The regulatory environment is constantly reviewed by both the Directors, and senior management of the Company. Directors and senior management are kept abreast of changes to the environment, and regulations, and will adapt business processes as required to ensure compliance is maintained. Changes in regulation are seen as opportunities to enhance our service offering.

On behalf of the board:



R Aldridge
Director
27 April 2022

DIRECTORS' REPORT

The directors present their report and the audited financial statements of G10 Capital Limited ("the Company") for the year ended 31 December 2021.

Principal Activity, Review of the Business and Principal Risks and Uncertainties are all covered in the strategic report on page 1.

Results

The results for the year amounted to a profit after tax of £1,318,719 (2020: £376,114). No dividends were declared during the year (2020: £nil).

Going Concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and have adopted the going concern basis of accounting in preparing these financial statements.

The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future. It participates in the Group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The Company will continue to look for new clients and business to continue its growth.

The Company is part of the IQ-EQ Group (the "Group") and overall debt funding is managed at a Group level. The Group has a record of generating cash from operations, at the same time significant investment is made to contribute to the long-term growth and development of the Group. The majority of the Group's revenues are recurring in nature and there are significant non-underlying costs which mainly relate to the acquisition, integration and project development costs, all of which are focussed on the long-term growth of the Group. On 13 January 2022, FCPI Astorg V's shareholding in the IQ-EQ group was transferred to IQEQ Fund SCSp. As a result, the Group has access to significant equity to fund its acquisition strategy whilst maintaining its financial policy of steady deleveraging over time.

The Directors have undertaken a review of the Company's trading forecast for the coming 12 months from the date of signing of these financial statements, which shows that the Company is expected to remain profitable and continue to be cash generative. Therefore, the Directors believe that the Company will continue in operational existence for the foreseeable future.

DIRECTORS' REPORT (continued)

Future Developments

The Company will continue to look for opportunities to grow its client base further into the future, and benefits from referrals and expansion in the wider IQ-EQ Group.

Directors

The directors of the Company who held office throughout the year and up to the date of report/issuance, unless otherwise stated, were:

Eric Fady
Justin Partington (resigned 12 November 2021)
Paul Turner (resigned 13 October 2021)
Rachel Aldridge (appointed 8 April 2021)
Andrew Shrimpton (appointed 21 May 2021)
Jean Legrand (appointed 21 May 2021)

Pillar 3 Disclosure Requirements

Our Pillar 3 disclosure 2021 are published on our website at:

<https://iqeq.com/sites/default/files/2022-01/Pillar%20III%20Disclosure%20G10.pdf>

Statement of Directors' Responsibilities

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 they have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102) and applicable law.

The financial statements are required by law to 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 and then apply them consistently,
- make judgments and estimates that are reasonable and prudent.
- state whether applicable 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 proper accounting records which 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

DIRECTORS' REPORT (continued)

Appointment of the Auditor

The Company's previous auditors, Deloitte LLP, have been appointed on 19 January 2020 as the Company's auditors.

Deloitte LLP has expressed its willingness to continue as the Company's auditor, and a resolution will be presented to the members for approval at the next annual general meeting.

Disclosure of Information to Auditors

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor are aware of that information.

This members' report and the financial statements in the pages to follow were approved by directors on 27 April 2022.

For and on behalf of the board

A handwritten signature in black ink, appearing to read 'R Aldridge', written in a cursive style.

R Aldridge
Director
27 April 2022

Independent auditor's report to the members of G10 Capital Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of G10 Capital Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Statement of comprehensive income;
- the Statement of Financial position;
- the statement of changes in equity;
- the cash flow statement; and
- the related notes 1 to 13.

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).

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 UK, including the Financial Reporting Council's (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 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.

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 financial statements. 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.

Independent Auditor's report (continued)

Responsibilities of members

As explained more fully in the directors' responsibilities statement, 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.

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.

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

Extent to which 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act 2006 and Income Tax Act 2007; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Financial Conduct Authority regulations with respect to the company's regulatory licence and Client Assets Sourcebook(CASS) requirements.

We discussed among the audit engagement team including relevant internal specialists such as tax, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

Independent Auditor's report (continued)

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC and the licensing authority (Financial Conduct Authority).

Report on other legal and regulatory requirements

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 the directors' report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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.



David Becker (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
St Peter Port, Guernsey
27 April 2022

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

| | Notes | Year Ended 31 December 2021 | 9-Month Period Ended 31 December 2020 |
|---|-------|--------------------------------|---|
| Turnover | 3 | 2,799,186 | 905,948 |
| Cost of sales | | (811,906) | (500,275) |
| Gross profit | | 1,987,280 | 405,673 |
| Administrative expenses | | (809,714) | (67,721) |
| Operating profit | | 1,177,566 | 337,952 |
| Interest receivable and similar income | | 76,942 | - |
| Profit before tax | | 1,254,508 | 337,952 |
| Tax credit/(expense) | 6 | 64,211 | 38,162 |
| Profit and total comprehensive income for the year | | 1,318,719 | 376,114 |

All the results shown in the Statement of Comprehensive Income are from continuing operations.

There were no items of other comprehensive income that occurred during the period/year presented.

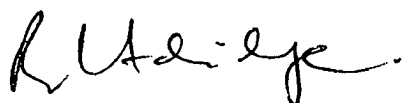
The notes on pages 13 to 20 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021
Registration Number: 09224491

| | Notes | Year Ended 31 December 2021 | 9-Month Period Ended 31 December 2020 |
|--|-------|--------------------------------|---|
| Current assets | | | |
| Trade and other receivables | 7 | 3,798,084 | 1,575,934 |
| Cash and cash equivalents | | 20,038 | 117,610 |
| | | <u>3,818,122</u> | <u>1,693,544</u> |
| Creditors: amounts falling due within one year | 8 | (1,168,008) | (362,149) |
| Net current assets | | <u>2,650,114</u> | <u>1,331,395</u> |
| Net assets | | <u>2,650,114</u> | <u>1,331,395</u> |
| Capital and reserves | | | |
| Called up share capital | 9 | 484,080 | 484,080 |
| Share premium account | | 900 | 900 |
| Profit and loss account | | 2,165,134 | 846,415 |
| Total Capital and Reserves | | <u>2,650,114</u> | <u>1,331,395</u> |

These financial statements were approved by the Board of Directors on 27 April 2022 and were signed on its behalf by:



R Aldridge
Director
27 April 2022

The notes on pages 13 to 20 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021

| | Share capital | Share premium | Profit and loss account | Total |
|--|---------------|---------------|-------------------------|-----------|
| Balance at 1 April 2020 | 483,880 | - | 471,401 | 955,281 |
| Historic capital correction | 200 | 900 | (1,100) | - |
| Total comprehensive income for the period | | | | - |
| Profit for the period | - | - | 376,114 | 376,114 |
| Total comprehensive income for the period | - | - | 376,114 | 376,114 |
| Issue of share capital | - | - | - | - |
| Balance at 31 December 2020 | 484,080 | 900 | 846,415 | 1,331,395 |
| Balance at 1 Jan 2021 | 484,080 | 900 | 846,415 | 1,331,395 |
| Total comprehensive income for the year | | | | |
| Profit for the year | - | - | 1,318,719 | 1,318,719 |
| Total comprehensive income for the year | - | - | 1,318,719 | 1,318,719 |
| Balance at 31 December 2021 | 484,080 | 900 | 2,165,134 | 2,650,114 |

STATEMENT OF CASH FLOW

For the year ended 31 December 2021

| | Year Ended 31 December 2021 | 9-Month Period Ended 31 December 2020 |
|---|--------------------------------|---|
| Cash flows (used in)/from operating activities | | |
| Profit for the period | 1,318,719 | 376,114 |
| <i>Adjustments for:</i> | | |
| Corporation tax | (64,211) | (38,162) |
| Operating cash flow before working capital changes | 1,254,508 | 337,952 |
| <i>Working capital changes</i> | | |
| Increase in trade and other receivables | (2,222,149) | (585,378) |
| Increase in trade and other payables | 870,069 | 60,814 |
| Net cash flows used in operations | (97,572) | (186,612) |
| Net cash flows used in operating activities | (97,572) | (186,612) |
| Cash flows from financing activities | | |
| Capital issued | - | - |
| Net cash flows from financing activities | - | - |
| Cash and cash equivalents at beginning of the period | 117,610 | 304,223 |
| Net decrease in cash and cash equivalents | (97,572) | (186,612) |
| Cash and cash equivalents at end of the period | 20,038 | 117,610 |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1. General Information

G10 Capital Limited is a private company limited by shares, incorporated and domiciled in the United Kingdom and registered in England and Wales. The address of the Company's registered office is shown on page 1.

The nature of the Company's operations and its principal activities are set out in the strategic report.

These financial statements have been prepared in accordance with the United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102) and applicable law.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The Company's financial statements are presented in British pounds which is the currency of the primary economic environment in which the Company operates, the functional currency.

The principal accounting policies adopted by the Company are set out in Note 2. These policies have been consistently applied to all the years presented, unless otherwise stated.

Going Concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months and have adopted the going concern basis of accounting in preparing these financial statements.

The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future. It participates in the Group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The Company will continue to look for new clients and business to continue its growth.

The Company is part of the IQ-EQ Group (the "Group") and overall debt funding is managed at a Group level. The Group has a record of generating cash from operations, at the same time significant investment is made to contribute to the long-term growth and development of the Group. The majority of the Group's revenues are recurring in nature and there are significant non-underlying costs which mainly relate to the acquisition, integration and project development costs, all of which are focussed on the long-term growth of the Group. On 13 January 2022, FCPI Astorg V's shareholding in the IQ-EQ group was transferred to IQEQ Fund SCSp. As a result, the Group has access to significant equity to fund its acquisition strategy whilst maintaining its financial policy of steady deleveraging over time.

The Directors have undertaken a review of the Company's trading forecast for the coming 12 months from the date of signing of these financial statements, which shows that the Company is expected to remain profitable and continue to be cash generative. Therefore, the Directors believe that the Company will continue in operational existence for the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Summary of Significant Accounting Policies

Turnover

Invoicing is undertaken centrally by a group company as there is a tri-party arrangement in place between G10, the group company and the clients. Turnover is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services rendered, stated net of value added taxes. The Company recognises revenue when the amount of revenue can be reliably measured and when it is probable that future economic benefits will flow to the entity.

Turnover comprises fees earned from operating unregulated collective investment schemes. All fees are earned on an accruals basis by spreading the income over the period for which it relates. All income is earned in the UK.

(a) Rendering of services

Revenue is recognised in the statement of comprehensive income over time as the customer simultaneously receives and consumes the benefits provided by the services the Company performs, on accrual basis.

(b) Accrued Income

Accrued income represents the billable position of services to clients which has not been invoiced at the reporting date.

Accrued income is recorded based on agreed fees billed in arrears and time-based charges at the agreed charge out rates in force at the work date, less any specific provisions against the value of accrued income where recovery will not be made in full. Accrued income is recognised on Note 7 – Debtors as Prepayments and accrued income.

Administrative Expenses

Expenses are accounted for on an accrual basis.

Interest Income and Expenses

Interest income and expenses are recognised on an accrual basis using the effective interest method.

Taxation

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Summary of Significant Accounting Policies (continued)

Foreign Currency Translation

(a) Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'British pounds' (£), which is also the Company's functional currency.

(b) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'Other income'.

Trade and Other Receivables

Trade and other receivables are made up of either amounts due from customers or amounts due from a group company as invoicing for the majority of trade receivable balances is centralised through a group company. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. In the majority of cases invoicing is centralised through a group company, as a result, the associated credit risk is borne by the group company.

Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Given the nature of creditors, however and their short length of time between the origination and settlement, their amortised costs is the same as their fair value on the date of origination.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Statement of Financial Position, bank overdrafts are shown within borrowings in current liabilities.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in Equity as a deduction, net of tax, from the proceeds.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Turnover

| | Year Ended 31 December 2021 | 9-Month Period Ended 31 December 2020 |
|---|--------------------------------|--|
| Provision of Investment Management services | 2,799,186 | 905,948 |
| By geographical market: | | |
| UK | 2,799,186 | 905,948 |

4. Auditors Remuneration

| | Year Ended 31 December 2021 | 9-Month Period Ended 31 December 2020 |
|--------------------------|--------------------------------|---|
| Statutory audit fees | 17,390 | 17,975 |
| Other assurance services | 19,511 | 10,875 |

No fees were paid in relation to non-assurance services in 2021 (2020: £nil).

5. Directors Remuneration

No remuneration has been paid to the Company's directors for the year ended 31 December 2021 (period ended 31 December 2020 £nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. Taxation

| | Year Ended 31 December 2021 | 9-Month Period Ended 31 December 2020 |
|--|--------------------------------|--|
| <i>Analysis of charge in the year</i> | | |
| Profit on ordinary activities before tax | 1,177,566 | 337,952 |
| Corporation tax on profit at rate of 19% (2020: 19%) | 223,737 | 64,211 |
| <i>Effects of:</i> | | |
| Group Relief | (223,737) | |
| Adjustment in respect of prior periods | (64,211) | (102,372) |
| Total corporation tax credit | (64,211) | (38,161) |

The Finance Act 2015 has provided that from 1 April 2017, taxable profits will be taxed at the rate of 19% and the Finance Act 2016 has provided that from 1 April 2020, taxable profits will be taxed at 17%. However, on 11 March 2020 it was announced (and substantively enacted on 17 March 2020) that the UK corporation tax rate would remain at 19% and not reduced to 17% (the previously enacted rate) from 1 April 2020. In March 2021, the UK Government announced their intention to increase the main rate of corporation tax from 19% to 25% from 1 April 2023.

Future tax rate changes will affect the tax charge of the Company, but it is not expected that any rate changes will have a material impact on the Company.

The Company has fully offset its profits against the losses of a Group Company, reducing the 2021 tax charge in relation to 2021 profits to nil.

7. Trade and Other Receivables

| | Year Ended 31 December 2021 | 9-Month Period Ended 31 December |
|-------------------------------------|--------------------------------|--|
| Trade debtors | 5,299 | 97,736 |
| Prepayments and accrued income | 3,359 | 3,352 |
| Value Added Tax | 783,262 | 92,124 |
| Amounts due from group undertakings | 3,006,164 | 1,382,722 |
| | 3,798,084 | 1,575,934 |

Amounts falling due within one year from associated undertakings are collectible on demand, and unsecured. In 2021 and 2020 interest has been charged on average balances greater than €1m equivalent with a single counterparty. The interest rate is determined between these two parties. Interest receivable credited in the P&L on these balances in 2021 totalled £76,942 (2020: £nil). All group balances have been classified as short term, given that they are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Creditors: Amounts falling due within one year

| | Year Ended 31 December 2021 | 9-Month Period Ended 31 December 2020 |
|------------------------------------|--------------------------------|---|
| Trade creditors | 990,958 | 250,399 |
| Corporation tax | - | 64,211 |
| Accruals and deferred income | 38,353 | 31,260 |
| Amounts owed to group undertakings | 138,697 | 16,279 |
| | 1,168,008 | 362,149 |

Amounts falling due within one year to associated undertakings are collectible on demand, and unsecured. In 2021 and 2020 interest has been charged on average balances greater than €1m equivalent with a single counterparty. The interest rate is determined between these two parties. Interest payable charged in the P&L on these balances in 2021 totalled £nil (2020: £nil). All group balances have been classified as short term, given that they are repayable on demand.

9. Share Capital

| | Year Ended 31 December 2021 | Restated 9-Month Period Ended 31 December 2020 |
|--|--------------------------------|--|
| Authorised | | |
| 3 000 Ordinary shares of £0.10 each | 300 | 300 |
| Preference shares of £1.00 each | 483,780 | 483,780 |
| | 484,080 | 484,080 |
| Allotted, called up and fully paid: | | |
| 3 000 Ordinary shares of £0.10 each | 300 | 300 |
| Preference shares of £1.00 each | 483,780 | 483,780 |
| | 484,080 | 484,080 |

In the year, it was found that an issuance of ordinary shares had not been recorded, this has been rectified in the current year and prior period, resulting in a share capital increase of £200 and a share premium of £900.

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. Financial Instruments

The Company has classified its financial assets in the following categories:

| | Fair value through profit and loss | Debt instruments at amortised cost | Equity instruments | Total |
|--------------------------------------|--|--|-----------------------|-----------|
| Year ended 31 December 2021 | | | | |
| Current financial assets | | | | |
| Trade and other receivables (note 8) | - | 3,798,084 | - | 3,798,084 |
| Cash and cash equivalents | - | 20,038 | - | 20,038 |

| | Fair value through profit and loss | Debt instruments at amortised cost | Equity instruments | Total |
|--------------------------------------|--|--|-----------------------|-----------|
| Period ended 31 December 2020 | | | | |
| Current financial assets | | | | |
| Trade and other receivables (note 8) | - | 1,575,934 | - | 1,575,934 |
| Cash and cash equivalents | - | 117,610 | - | 117,610 |

The Company has classified its financial liabilities in the following categories:

| | Fair value through profit and loss | Loan commitments at cost less impairment | Amortised cost | Total |
|--------------------------------------|--|---|-------------------|-----------|
| Year ended 31 December 2021 | | | | |
| Current financial liabilities | | | | |
| Trade and other payables (note 9) | - | - | 1,168,008 | 1,168,008 |
| Period ended 31 December 2020 | | | | |
| Current financial liabilities | | | | |
| Trade and other payables (note 9) | - | - | 362,149 | 362,149 |

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. Immediate and Ultimate Parent Undertaking

The Company's immediate parent is IQ EQ (LC) UK Limited, a limited company incorporated and registered in the UK. The registered address of the immediate parent is 4th Floor 3 More London Riverside, London, United Kingdom, SE1 2AQ.

FPCI Astorg V is considered to be the ultimate parent on 31 December 2021 and 31 December 2020. FPCI Astorg V ("Ultimate Parent") is a French closed ended collective investment scheme in which no individual investor holds a controlling interest. The scheme is managed by Astorg Partners, a Société par actions simplifiée incorporated and existing under the laws of France, having its registered office at 68 Rue du Faubourg Saint-Honoré, 75008 Paris.

Saphilux Sarl, a limited company registered in Luxembourg, is the next most senior parent and issues consolidated financial statements available to the public.

12. Related Party Disclosures

The Company has taken advantage of the exemption within FRS 102 from the requirement to disclose related party transactions entered into with other members of the IQ-EQ Group, where any subsidiary which is a party to the transaction is a wholly owned subsidiary of an IQ EQ group member, whose consolidated financial statements are publicly available.

13. Events After the End of the Reporting Period

On 13 January 2022, FCPI Astorg V's shareholding in the IQ-EQ group was transferred to IQEQ Fund SCSp, as a result the Group has access to significant equity to fund its acquisition strategy whilst maintaining its financial policy of steady deleveraging over time.

There are no other events after the reporting date were identified in the financial statements that provided evidence of conditions that existed at the reporting date (adjusting events after the reporting date) and that were indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).