

**B-FLEXION Corporate Member (UK) Limited
(formerly Northill Capital Services Limited)**

Annual Report and Consolidated Financial Statements

For the year ended 31 December 2021



B-FLEXION Corporate Member (UK) Limited

Registered No: 07864905

Contents	Page
Administrative information	1
Directors' report	2
Strategic report	3
Statement of directors' responsibilities	4
Independent auditor's report	5-7
Consolidated profit and loss account	8
Consolidated balance sheet	9
Balance sheet	10
Consolidated statement of changes in equity	11
Company statement of changes in equity	12
Consolidated statement of cash flows	13
Notes to the financial statements	14-23

B-FLEXION Corporate Member (UK) Limited

Registered No: 07864905

Administrative information

Directors

M Bolland

E Butler

C Jilla

Auditors

Ernst & Young LLP

Liberation House

Castle Street

St Helier

Jersey

JE1 1EY

Registered Office

1 Curzon Street

London

W1J 5HD

B-FLEXION Corporate Member (UK) Limited

Registered No: 07864905

Directors' report

The directors present their consolidated report and financial statements for B-FLEXION Corporate Member (UK) Limited (formerly Northill Capital Services Limited) (the "Company") and its subsidiary B-FLEXION Advisors (UK) LLP (formerly Northill Capital LLP) (the "LLP"), together the "Group", for the year ended 31 December 2021.

Results and dividends

The consolidated profit on ordinary activities, after taxation, for the year ended 31 December 2021 amounted to £3,140,663 (2020: £3,199,360).

Dividends for the year amounted to £Nil (2020:£Nil).

Going concern

The directors review going concern over the period up to June 2023.

The directors are confident the Group will continue to receive sufficient income as a result of its transfer pricing arrangement with B-FLEXION AM Holdings Limited (formerly Northill Capital Holdings Limited) (the "Parent"), to cover its costs.

The Group has an available cash balance of £6,545,657 (2020: £8,759,251) and an additional £2,600,000 (2020: £1,590,000) in liquid loan notes at B-FLEXION Treasury Limited (formerly Waypoint Treasury Limited), an entity under common ownership. These more than cover the annual administrative expenses of £5,656,423 (2020: £7,346,010). The Group does not have any external debt and has net current assets of £8,909,328 (2020: £7,317,446). The directors do not believe any new sources of finance will be required over the next 12 months from the date of this report. On this basis, the directors have a reasonable expectation that the Group has adequate resources to meet its liabilities as they fall due and continue in operational existence for the foreseeable future.

The directors have considered the impact of COVID-19 on the Group and are confident this will not alter the assessment above.

Accordingly, the financial statements have been prepared on the going concern basis.

Directors

The directors who served the Company during the year and until the date of signing were as follows:

J Asquith (resigned 04 June 2021)

M Bolland

E Butler (appointed 09 June 2021)

C Jilla

G McNair (resigned 30 November 2021)

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 auditors are unaware. Having made enquiries of fellow directors and the Group's auditor, each director has taken all the steps that they are 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

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young LLP will therefore continue in office.

By order of the board:

M Bolland
Director
London

Date: 23/5/2022

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B-FLEXION Corporate Member (UK) Limited

Registered No: 07864905

Strategic report

Principal activity and review of the business

The principal activity of the Group during the year under review was that of sourcing and providing advice to the Northill funds in relation to potential acquisitions and other strategic investments and overseeing and providing ongoing advice in relation to any such investments made, under the terms of the Northill Fund Services Agreement.

The principal activity of the Company during the period was that of providing administrative and support services to its subsidiary, B-FLEXION Advisors (UK) LLP (formerly Northill Capital LLP). During the year all remaining employees left the Company. The Company continues to purchase a portion of its ex-employees' time from B-FLEXION Services (UK) Limited (formerly Waypoint Corporate Services Limited) in order to carry out its principal activity. In addition, the Company acts as the Managing Member for its subsidiary B-FLEXION Advisors (UK) LLP.

During the year B-FLEXION Advisors (UK) LLP changed its financial year end to 31 December 2021.

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

Key performance indicators

The key performance indicators of the Group are turnover £9,389,461 (2020: £10,987,138) and administrative expenses £5,656,423 (2020: £7,346,010). The current ratio (total current assets/total current liabilities) was 10.0 (2020: 2.4) which shows that the Group remains financially secure and can comfortably cover its liabilities.

Principal risks and uncertainties

As the Group has one main client the primary risk is the loss of this relationship or a long-term significant reduction in that client's business. However, based on the client's current business expectations the probability of this occurring is considered to be low.

By order of the board:

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M Bolland
Director
London

Date: 23/5/2022

B-FLEXION Corporate Member (UK) Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' report, Strategic report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing these financial statements, the directors should:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and appropriate;
- state whether applicable UK Accounting Standards (United Kingdom Accounting Standards) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law 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 Group and 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 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 Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF B-FLEXION CORPORATE MEMBER (UK) LIMITED**

Opinion

We have audited the financial statements of B-Flexion Corporate Member (UK) Limited (formerly Northhill Capital Services Limited) ('the parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated profit and loss account, the consolidated balance sheet, the balance sheet, the consolidated statement of changes in equity, the company statement of changes in equity, consolidated statement of cash flows and the related notes 1 to 19, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ▶ give a true and fair view of the group's and of the parent company's affairs as at 31 December 2021 and of the group's profit for the year then ended;
- ▶ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for to June 2023 (being in excess of 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

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

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

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 the other information, we are required to report that fact.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF B-FLEXION CORPORATE MEMBER (UK) LIMITED (continued)**

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF B-FLEXION CORPORATE MEMBER (UK) LIMITED (continued)**

Our approach was as follows:

- ▶ We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant are the Companies Act 2006 and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland.
- ▶ We understood how Northill Capital Services Limited is complying with those frameworks by making enquiries of management, those responsible for legal and compliance procedures, and those charged with governance. We corroborated our enquiries through our review of Board minutes, as well as consideration of the results of our audit procedures across the Group to either corroborate or provide contrary evidence which was then followed up.
- ▶ We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by designating revenue recognition as a fraud risk. We performed journal entry testing by specific criteria, with the focus on journals indicating large or unusual transactions based on our understanding of the Group's business. Our procedures also involved gaining an understanding of processes and controls surrounding revenue recognition. We performed substantive analytic procedures based on revenue agreements and substantive tests of details. Due to the related party nature of income we have included consideration of trade accounts with affiliated companies.
- ▶ Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of in-house legal counsel and discussions with the compliance officer.

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

Use of our report

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



Andrew Jonathan Dann, FCA (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Jersey, Channel Islands
Date: 24 May 2022

B-FLEXION Corporate Member (UK) Limited

Consolidated profit and loss account

for the year ended 31 December 2021

	<i>Notes</i>	<i>31 Dec 2021</i> £	<i>31 Dec 2020</i> £
Turnover	2	9,389,461	10,987,138
Administrative expenses		(5,656,423)	(7,346,010)
Operating profit	3	3,733,038	3,641,128
Interest paid		(3,762)	–
Profit on ordinary activities before taxation		3,729,276	3,641,128
Tax	4	(588,613)	(441,768)
Profit on ordinary activities after taxation		3,140,663	3,199,360
Minority interests		384,959	943,369
Owners of the parent company		2,755,704	2,255,991
Profit for the financial year		3,140,663	3,199,360

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

There are no recognised gains or losses other than the profit attributable to the shareholder of the Group of £3,140,663 (2020: £3,199,360) for the year.


B-FLEXION Corporate Member (UK) Limited

Consolidated balance sheet


as at 31 December 2021

	Notes	31 Dec 2021 £	31 Dec 2020 £
Fixed assets			
Tangible fixed assets	7	28,710	75,189
		<u>28,710</u>	<u>75,189</u>
Current assets			
Debtors	9	3,356,945	3,751,945
Cash and cash equivalents	14	6,545,657	8,759,251
		<u>9,902,602</u>	<u>12,511,196</u>
Creditors: amounts falling due within one year	10	(993,274)	(5,193,750)
Net current assets		<u>8,909,328</u>	<u>7,317,446</u>
Total assets less current liabilities		<u>8,938,038</u>	<u>7,392,635</u>
Creditors: amounts falling due after more than one year	11	(276,404)	(770,261)
Net assets		<u>8,661,634</u>	<u>6,622,374</u>
Capital and reserves			
Called up share capital	13	3,250,001	3,250,001
Profit and loss account		5,303,455	2,712,674
Equity shareholder funds		<u>8,553,456</u>	<u>5,962,675</u>
Minority Interest		108,178	659,699
		<u>8,661,634</u>	<u>6,622,374</u>

The financial statements on pages 8 to 23 were approved by the board of directors on 23 March 2022 and were signed on its behalf by:

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M Bolland
 Director

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E Butler
 Director

The notes on pages 14-23 are an integral part of these financial statements


B-FLEXION Corporate Member (UK) Limited

Balance sheet


as at 31 December 2021

	Notes	31 Dec 2021 £	31 Dec 2020 £
Fixed assets			
Tangible fixed assets	7	28,710	75,189
Investments	8	2,350,000	1,600,000
		<u>2,378,710</u>	<u>1,675,189</u>
Current assets			
Debtors	9	6,153,813	4,345,561
Cash and cash equivalents	14	850,804	1,197,641
		<u>7,004,617</u>	<u>5,543,202</u>
Creditors: amounts falling due within one year	10	<u>(553,466)</u>	<u>(950,379)</u>
Net current assets		<u>6,451,151</u>	<u>4,592,823</u>
Total assets less current liabilities		<u>8,829,861</u>	<u>6,268,012</u>
Creditors: amounts falling due after more than one year	11	<u>(276,404)</u>	<u>(470,261)</u>
		<u>8,553,457</u>	<u>5,797,751</u>
Capital and reserves			
Called up share capital	13	3,250,001	3,250,001
Profit and loss account		5,303,456	2,547,750
Equity shareholder funds		<u>8,553,457</u>	<u>5,797,751</u>

The financial statements on pages 8 to 23 were approved by the board of directors on 23 May 2022 and were signed on its behalf by:

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M Bolland
Director

DocuSigned by:

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E Butler
Director

The notes on pages 14-23 are an integral part of these financial statements

B-FLEXION Corporate Member (UK) Limited

Consolidated statement of changes in equity

for the year ended 31 December 2021

	<i>Share capital</i> £	<i>Profit and loss account</i> £	<i>shareholder's funds</i> £	<i>minority interest</i> £	<i>equity funds</i> £
At 1 January 2020	3,250,001	456,683	3,706,684	40,182	3,746,866
Profit for the year	–	2,255,991	2,255,991	943,369	3,199,360
Distributions of profits	–	–	–	(323,852)	(323,852)
At 1 January 2021	3,250,001	2,712,674	5,962,675	659,699	6,622,374
Profit for the year	–	2,755,704	2,755,704	384,959	3,140,663
Distributions of profits	–	(164,923)	(164,923)	(936,480)	(1,101,403)
At 31 December 2021	3,250,001	5,303,455	8,553,456	108,178	8,661,634

The notes on pages 14-23 are an integral part of these financial statements

B-FLEXION Corporate Member (UK) Limited

Company statement of changes in equity

for the year ended 31 December 2021

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total shareholder's funds £</i>
At 1 January 2020	3,250,001	706,324	3,956,325
Profit for the year	–	1,841,426	1,841,426
At 1 January 2021	3,250,001	2,547,750	5,797,751
Profit for the year	–	2,755,706	2,755,706
At 31 December 2021	3,250,001	5,303,456	8,553,457

The notes on pages 14-23 are an integral part of these financial statements

B-FLEXION Corporate Member (UK) Limited

Consolidated statement of cash flows

for the year ended 31 December 2021

	<i>Notes</i>	<i>2021</i> £	<i>2020</i> £
Net cash (outflow)/inflow from operating activities	14	(1,085,012)	3,380,582
Financing			
Interest paid		(3,762)	–
Net cash flow from financing activities		(3,762)	–
Transactions with members			
Distribution of profits		(1,101,403)	(323,852)
Net cash flow from transactions with members		(1,101,403)	(323,852)
Increase in cash and cash equivalents		(2,190,177)	3,056,730
Effect of exchange rates on cash and cash equivalents		(23,417)	(5,462)
Cash and cash equivalents at 1 January		8,759,251	5,707,983
Cash and cash equivalents at 31 December		6,545,657	8,759,251

The notes on pages 14-23 are an integral part of these financial statements

B-FLEXION Corporate Member (UK) Limited

Notes to the financial statements

for the year ended 31 December 2021

1. Accounting policies**Statement of compliance**

B-FLEXION Corporate Member (UK) Limited (formerly Northill Capital Services Limited) (the "Company") is a limited liability company incorporated in England & Wales. The Registered Office is 1 Curzon Street, London, W1J 5HD.

The Company's financial statements have been prepared in compliance with Financial Reporting Standard 102 ("FRS 102") under the reduced disclosure framework as its financial results have been presented within these consolidated financial statements and filed with Companies House.

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable law and United Kingdom Accounting Standards.

Group financial statements

The Group's financial statements have been prepared in compliance with FRS 102.

The Group financial statements consolidate the financial statements of B-FLEXION Corporate Member (UK) Limited (formerly Northill Capital Services Limited) and its subsidiary B-FLEXION Advisors (UK) LLP (formerly Northill Capital LLP) up to 31 December 2021. The current accounting period for the Company is from 1 January 2021 to 31 December 2021. The current accounting period for B-FLEXION Advisors (UK) LLP is from 1 April 2021 to 31 December 2021. During the year this entity changed its financial year end to be coterminous with the Company. For consolidation purposes only the results relating to 1 January 2021 to 31 December 2021 have been included.

No Company profit and loss account is presented for the B-FLEXION Corporate Member (UK) Limited as the Company has taken the exemption under section 408 of the Companies Act 2006.

No Company statement of cash flows is presented for B-FLEXION Corporate Member (UK) Limited as part of the exemptions available within the reduced disclosure framework.

Turnover

Turnover, which is stated net of value added tax, is accounted for on an accruals basis. Consultancy fees are recognised when the Group obtains the right to consideration in exchange for performance of services.

Other income and administrative expenses

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

Tangible fixed assets

Tangible fixed assets are stated at cost and then depreciated. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	–	3 years
Computer equipment	–	3 years
Leasehold Improvements	–	Over the life of the lease

Impairment reviews have been carried out on all fixed assets by comparing the carrying value to the net realisable value and the value in use based on future cash flows. Where an asset is impaired it is written down to its recoverable amount with the impairment being taken to the profit and loss account.

Dilapidations provision

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

Dilapidations provisions are charged to the profit and loss account on a straight line basis over the lease term. The carrying value of the provisions are reviewed on an annual basis or when events or changes in circumstances indicate the carrying value may have changed from previous estimates.

Notes to the financial statements

for the year ended 31 December 2021

1. Accounting policies (continued)

Leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term.

Pensions

The Group operates a defined contribution pension scheme. The assets of the scheme 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. The Group made its last contributions to this scheme in April 2021.

Foreign currencies

Monetary assets and liabilities denominated in foreign currency are translated into pounds sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rates of exchange ruling at the date of the transaction. All foreign exchange differences are taken to the profit and loss account.

Deferred taxation

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

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

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

Investments in subsidiary undertakings

Investments in subsidiaries are stated at cost less provision for any permanent diminution in value.

Cash and cash equivalents

Cash and cash equivalents disclosed in the balance sheet comprises cash at banks with a maturity of less than 3 months.

Debtors and Creditors

Short term debtors and creditors are deemed to be at fair value due to their short-term nature.

Going concern

The directors review going concern over the period up to June 2023.

The directors are confident the Group will continue to receive sufficient income as a result of its transfer pricing arrangement with B-FLEXION AM Holdings Limited (formerly Northill Capital Holdings Limited) (the "Parent"), to cover its costs.

The Group has an available cash balance of £6,545,657 (2020: £8,759,251) and an additional £2,600,000 (2020: £1,590,000) in liquid loan notes at B-FLEXION Treasury Limited (formerly Waypoint Treasury Limited), an entity under common ownership. These more than cover the annual administrative expenses of £5,656,423 (2020: £7,346,010). The Group does not have any external debt and has net current assets of £8,909,328 (2020: £7,317,446). The directors do not believe any new sources of finance will be required over the next 12 months from the date of this report. On this basis, the directors have a reasonable expectation that the Group has adequate resources to meet its liabilities as they fall due and continue in operational existence for the foreseeable future.

The directors have considered the impact of COVID-19 on the Group and are confident this will not alter the assessment above.

Accordingly, the financial statements have been prepared on the going concern basis.

B-FLEXION Corporate Member (UK) Limited

Notes to the financial statements

for the year ended 31 December 2021

2. Turnover

Group turnover is attributable to the provision of investment consultancy services.

	31 Dec 2021	31 Dec 2020
	£	£
Investment consultancy to a Jersey limited partnership	9,389,461	10,987,138
Total turnover for the year	9,389,461	10,987,138

3. Operating profit**Group**

This is stated after charging:

	31 Dec 2021	31 Dec 2020
	£	£
Auditors' remuneration – audit services	32,826	39,399
Operating lease rentals	613,014	633,121
Depreciation of tangible assets	46,479	101,768
Loss on foreign exchange	23,417	5,462

Auditors' remuneration for audit services in the year for the Company was £11,769 (2020: £18,123).

4. Tax**Group**

(a) Tax on profit on ordinary activities

	31 Dec 2021	31 Dec 2020
	£	£
The tax charge is made up as follows:		
<i>Current tax:</i>		
UK corporation tax current tax charge at 19.00% (2020 – 19.00%)	579,011	431,366
Under provision in prior year	48,356	1
Total current tax charge	627,367	431,367
<i>Deferred Tax:</i>		
Movement in the year	(38,754)	10,401
Total deferred tax movement for the year (note 12)	(38,754)	10,401
Tax on profit on ordinary activities (note 4b)	588,613	441,768

B-FLEXION Corporate Member (UK) Limited

Notes to the financial statements

for the year ended 31 December 2021

4. Tax (continued)**Group**

(b) The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%). A reconciliation is provided below:

	31 Dec 2021	31 Dec 2020
	£	£
Profit on ordinary activities before taxation	3,729,276	3,641,128
Profit on ordinary activities before taxation multiplied by the standard rate of UK corporation tax of 19.00% (2020 – 19.00%)	708,562	691,814
Effects of:		
Disallowable expenses	–	123
Fixed asset differences	(1,364)	7,350
Under provision in prior year – current tax	48,355	1
Difference from profit share from LLPs	(131,174)	(257,520)
Adjust closing deferred tax to average rate of 25%	(35,766)	–
Total tax expense	588,613	441,768

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021.

5. Remuneration**Group**

a) *Staff and directors costs paid to employees of Northill Capital Services Limited*

	31 Dec 2021	31 Dec 2020
	£	£
Wages and salaries	50,357	969,516
Social security costs	11,384	128,751
Other pension costs – defined contribution	–	81,248
	61,741	1,179,515

The Group does not have any other employees other than those of the Company.

During the year the remaining employee left the Company. A number of the Company's ex-employees are now employed by B-FLEXION Corporate Services Limited (formerly Waypoint Corporate Services Limited). These staff were recharged, in part, back to the Company. During the year the Company recognised an expense of £1,139,999 (2020: £641,814) in respect of this recharge which is included in administrative expenses in the Consolidated profit and loss account.

The Group and the Company's monthly average number of employees during the year was Nil (2020: 9). All employees were engaged in administration and support services roles.

B-FLEXION Corporate Member (UK) Limited

Notes to the financial statements

for the year ended 31 December 2021

6. Directors' emoluments***The Company***

	<i>31 Dec 2021</i>	<i>31 Dec 2020</i>
	<i>£</i>	<i>£</i>
Emoluments	–	109,380
Emoluments	–	109,380

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

	<i>31 Dec 2021</i>	<i>31 Dec 2020</i>
	<i>£</i>	<i>£</i>
Emoluments	–	62,500
	–	62,500

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

	<i>Leasehold improvements</i>	<i>Dilapidations</i>	<i>Fixtures and fittings</i>	<i>Total</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Cost or valuation:				
At 1 January 2021	2,431,783	248,658	1,546	2,681,987
Disposals	–	(46,176)	(526)	(46,702)
At 31 December 2021	2,431,783	202,482	1,020	2,635,285
Depreciation:				
At 1 January 2021	2,372,418	232,834	1,546	2,606,798
Charge for the year	59,365	(12,886)	–	46,479
Disposals	–	(46,176)	(526)	(46,702)
At 31 December 2021	2,431,783	173,772	1,020	2,606,575
Net book value:				
At 31 December 2021	–	28,710	–	28,710
At 1 January 2021	59,365	15,824	–	75,189

B-FLEXION Corporate Member (UK) Limited

Notes to the financial statements

for the year ended 31 December 2021

8. Investments**The Group**

The group holds no investments.

The Company

Investment undertakings

	2021	2020
	£	£
Investment in B-FLEXION Advisors (UK) LLP	2,350,000	1,600,000
At 31 December	2,350,000	1,600,000

The Company's investments represent the member's capital in its subsidiary B-FLEXION Advisors (UK) LLP which was purchased on 30 September 2019.

The principle activity of B-FLEXION Advisors (UK) LLP is to source potential investments and manage existing investments with the Northill Group.

9. Debtors

	<i>Group</i>		<i>Company</i>	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
	£	£	£	£
Amounts owed by LLP	–	–	3,121,288	2,367,892
VAT reclaimable	256,585	1,313,572	–	55,073
Prepayments and accrued income	34,243	211,944	–	170,710
Deferred tax asset	149,031	110,277	149,031	110,277
Other debtors	–	–	–	–
Corporation tax receivable	281,555	–	281,555	–
Amount due from members of the LLP	5,514	411,844	–	–
Amounts owed by related parties	2,630,017	1,704,308	2,601,939	1,641,609
	3,356,945	3,751,945	6,153,813	4,345,561

10. Creditors: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
	£	£	£	£
Trade creditors	38,907	4,807	3,306	4,746
Accruals	191,190	189,540	164,833	164,884
Payroll creditors	–	84,947	–	84,947
Corporation tax payable	–	340,882	–	340,882
Amounts due to related parties	666,510	4,573,574	368,660	354,920
Amounts due to members of the LLP	80,000	–	–	–
VAT payable	16,667	–	16,667	–
	993,274	5,193,750	553,466	950,379

B-FLEXION Corporate Member (UK) Limited

Notes to the financial statements

for the year ended 31 December 2021

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

	<i>Group</i>		<i>Company</i>	
	<i>31 Dec 2021</i>	<i>31 Dec 2020</i>	<i>31 Dec 2021</i>	<i>31 Dec 2020</i>
	£	£	£	£
Lease incentive	73,923	121,531	73,923	121,532
Deferred remuneration	–	100,072	–	100,072
Dilapidations provision	202,481	248,658	202,481	248,657
Amounts due to members of the LLP	–	300,000	–	–
	<u>276,404</u>	<u>770,261</u>	<u>276,404</u>	<u>470,261</u>

In 2017, the Company renewed its lease through to July 2023 and following an independent expert review recognised a dilapidations provision and equivalent fixed asset of £248,658 for the total anticipated costs to the Company on termination of the premises operating lease, from lease commencement in May 2012 through to the break clause in July 2021. During 2021 a further independent valuation was undertaken and the provision and fixed asset were revalued to £202,481. This is now amortized over the entirety of the lease from May 2012 through to expiry in July 2023. During the year, a credit of £59,063 (2020: a debit of £27,126) was recognised in the profit and loss account in respect of this revaluation and amortization for the year.

12. Deferred taxation***Group and Company***

	<i>2021</i>	<i>2020</i>
	£	£
<i>Recognised deferred tax asset</i>		
The deferred taxation asset within debtors relates to:		
Accelerated capital allowances	110,277	81,295
Other timing differences in respect of remuneration and pension accruals	38,754	28,982
	<u>149,031</u>	<u>110,277</u>

There are no unrecognised deferred tax assets at 31 December 2021 or as at 31 December 2020.

B-FLEXION Corporate Member (UK) Limited

Notes to the financial statements

for the year ended 31 December 2021

13. Issued share capital

	<i>Authorised</i> <i>31 Dec 2021</i>	<i>Authorised</i> <i>31 Dec 2020</i>	<i>Allotted, issued and fully paid</i> <i>31 Dec 2021</i>	<i>Allotted, issued and fully paid</i> <i>31 Dec 2020</i>
	<i>No.</i>	<i>No.</i>	<i>£</i>	<i>£</i>
Ordinary shares of £1 each	unlimited	unlimited	3,250,001	3,250,001
	<u>unlimited</u>	<u>unlimited</u>	<u>3,250,001</u>	<u>3,250,001</u>

Ordinary shares give holders the right to receive notice of, attend, vote and speak at general meetings. Ordinary shareholders are entitled to receive dividends as may be resolved by the Board.

14. Notes to the consolidated statement of cash flows

a) Reconciliation of operating profit to net cash inflow from operating activities

	<i>2021</i> <i>£</i>	<i>2020</i> <i>£</i>
Operating profit	3,733,038	3,641,128
Depreciation of fixed assets	46,479	128,894
Decrease/(increase) in debtors	715,309	(3,215,071)
(Decrease)/increase in creditors	(4,353,451)	2,997,340
Loss on foreign exchange	23,417	5,462
Taxation paid	(1,249,804)	(177,171)
Net cash (outflow)/inflow from operating activities	(1,085,012)	3,380,582

b) Cash and cash equivalents

Cash and cash equivalents comprise the following:

	<i>Group</i>		<i>Company</i>	
	<i>31 Dec 2021</i>	<i>31 Dec 2020</i>	<i>31 Dec 2021</i>	<i>31 Dec 2020</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Cash at bank	6,545,657	8,759,251	850,804	1,197,641
	<u>6,545,657</u>	<u>8,759,251</u>	<u>850,804</u>	<u>1,197,641</u>

15. Pensions

The Group operates a defined contribution pension scheme. The assets of the scheme 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 (2020: £4,408).

B-FLEXION Corporate Member (UK) Limited

Notes to the financial statements

for the year ended 31 December 2021

16. Commitments under leases

The Group and Company had future minimum rentals payable under non-cancellable operating leases as follows:

Group and Company	<i>Land and buildings</i>	<i>Land and buildings</i>
	2021	2020
	£	£
Amounts payable:		
Within one year	555,528	555,528
In two to five years	309,726	726,372
	<u>865,254</u>	<u>1,281,900</u>

17. Related party transactions**Group**

During the year the Group charged B-FLEXION AM Holdings Limited (formerly Northill Capital Holdings Limited) the Group's controlling entity £9,389,461 (2020: £10,987,138) for advice of which £Nil (2020: £Nil) was outstanding at year end.

During the year the Group charged Securis Investments Partners LLP, an entity under common control, £28,078 (2020: £23,990) for disbursements of which £28,078 (2020: £14,212) was outstanding at year end.

During the year the Group charged Vantage Infrastructure (UK) Limited, an entity under common control, £84,607 (2020: £149,374) for the invoices it paid on its behalf of which £1,939 (2020: £52,113) was outstanding at year end.

B-FLEXION Services (UK) Limited (formerly Waypoint Corporate Services Limited) charged £5,176,785 (2020: £5,835,466) for services to the Group of which £297,850 (2020: £4,218,654) was outstanding at year end.

Bemido S.A charged £368,660 (2020: £364,311) for services to the Group of which £368,660 (2020: £354,920) was outstanding at year end.

At year end the Group had in place loan notes of £2,600,000 (2020: £1,590,000) with B-FLEXION Treasury Limited (formerly Waypoint Treasury Limited), an entity under common control.

The Group charged B-FLEXION invest (Jersey) limited (formerly Waypoint Fund Management Limited) £Nil (2020: £47,983) of which £Nil (2020: £47,983). was outstanding at year end

Company

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

B-FLEXION (UK) Limited (formerly Waypoint Corporate Services Limited) charged £1,921,384 (2020: £1,036,741) for services to the Company of which £Nil (2020: £Nil) was outstanding at year end .

Bemido S.A charged £368,660 (2020: £364,311) for services to the Company of which £368,660 (2020: £354,920) was outstanding at year end.

At year end the Company had in place loan notes of £2,600,000 (2020: £1,590,000) with B-FLEXION Treasury Limited, an entity under common control.

During the year the Company charged Vantage Infrastructure (UK) Limited, an entity under common control, £84,607 (2020: £149,374) for the invoices it paid on its behalf of which £1,939 (2020: £52,113) was outstanding at year end.

B-FLEXION Corporate Member (UK) Limited

Notes to the financial statements

for the year ended 31 December 2021

18. Ultimate controlling party

The Company is controlled by B-FLEXION AM Holdings Limited (formerly Northill Capital Holdings Limited). In the directors' opinion, the Company's ultimate controlling party is Mr Ernesto Bertarelli.

B-FLEXION AM Holdings Limited's registered address is:

Ensign House
29 Seaton Place
St Helier
Jersey JE1 1ZZ

19. Post Balance Sheet Events

Effective 26 January, the Company changed its name to B-FLEXION Corporate Member (UK) Limited. Its subsidiary, the LLP, also changed its name to B-FLEXION Advisors (UK) LLP effective 2 February 2022. Both name changes reflect a rebranding exercise undertaken across the wider Group.

On 24th February 2022, Russia launched a military offensive against Ukraine resulting in widespread sanctions on Russia and heightened security and cyber threats. As at the date of this report, the directors do not expect the Group to suffer any significant long term adverse impact as a result of this conflict.