

Company No. 09000848 (England & Wales)

**Temporis Capital Limited**  
**Annual Report and Audited Financial Statements**  
**for the year ended 30 November 2019**



# Temporis Capital Limited

## COMPANY INFORMATION

Directors	David Watson Derry Guy Andres Senouf Ian Rosen Matthew Ridley
Company number	09000848
Registered office	Berger House 36-38 Berkeley Square London W1J 5AE
Auditor	MHA MacIntyre Hudson 6 <sup>th</sup> Floor 2 London Wall Place London EC2Y 5AU
Business address	Berger House 36-38 Berkeley Square London W1J 5AE
Banker	Barclays Bank plc Onslow Hall Little Green Richmond TW9 1QS
Solicitors	Smith Hamilton Law Limited 16 Berkeley Street London W1J 8DZ  Debevoise & Plimpton LLP 65 Gresham Street London EC2V 7NQ  Arnold & Porter Kaye Scholer LLP Level 33, Citypoint 1 Ropemaker Walk London EC2Y 9UE  Mishcon de Reya LLP Africa House 70 Kingsway London WC2B 6AH

# Temporis Capital Limited

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# Temporis Capital Limited

## STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2019

The directors present their strategic report for Temporis Capital Limited (the "Company") for the year ended 30 November 2019.

### Principal activities and review of the business

The Company was incorporated on 16 April 2014 and was dormant and did not trade until 30 March 2017, on which date the Company acquired the business of Temporis Partners LLP (formerly Temporis Capital LLP) (the "LLP"). The Company obtained its authorisation from the Financial Conduct Authority (the "FCA") on 31 March 2017. Temporis Capital LLP was incorporated in 2005 and was authorised and regulated by the FCA from 17 March 2006 until its business was transferred to the Company in March 2017. The Company's business has therefore been in continuous operation since 2006. The purpose of the reorganisation of the business into a limited company from a limited liability partnership is to better serve its long-term growth.

As in prior years, the principal activity of the Company during the year ended 30 November 2019 was the provision of investment management and advisory services with a focus on the renewable energy sector. Other revenue includes arrangement fees, directors' fees and administration services income.

The directors expect the provision of investment management and advisory services to continue to be the Company's principal business for the foreseeable future.

The directors consider the Company's exposure to market risk (price, interest or foreign exchange risk), credit risk, liquidity risk or operational risk to be minimal, and consider the disclosure of information relating to their financial risk management objectives and policies not to be significant for the assessment of assets, liabilities, financial position and profit and loss of the Company. The Company's exposure to financial risks is regularly reviewed by the Company's Executive Committee and appropriate policies are adopted to mitigate these risks.

### Results

The retained profit for the year ended 30 November 2019 was £1,105,003 (2018: £5,706,847).

The statement of financial position as detailed on page 7 shows a satisfactory position. The net assets of the Company as at 30 November 2019 totalled £8,528,401 (2018: £7,423,398).

### Principal risks and uncertainties

The principal risks affecting the Company relate to the performance of the funds under management and the impact that poor performance of these funds has on revenues and, longer-term, the ability to attract and retain investors in those funds.

### Future developments

The Company will continue to focus on investment management and advisory services, particularly in the renewable energy sector, and will continue to seek opportunities to expand its business in this sector.

### Key performance indicators

The key performance indicators of the Company relate to the performance of the underlying funds, the value of assets under management and the fees earned from other services.

This report was approved and signed on behalf of the directors by:



Derry Guy

24<sup>th</sup> March 2020

# Temporis Capital Limited

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2019

The directors present their report and financial statements of Temporis Capital Limited for the year ended 30 November 2019.

### Directors

The following directors have held office during the year ended 30 November 2019 and up to the date of approval of this report:

David Watson (Chairman)  
Derry Guy  
Andres Senouf  
Ian Rosen  
Matthew Ridley

### Distributions

The directors have not proposed to pay a dividend in respect of the year ended 30 November 2019 (2018: £nil).

### Going concern

The Company has sufficient liquid resources and ongoing contracts for the provision of investment management and advisory services, which are expected to continue for the foreseeable future. It is envisaged that the assets of the funds to which the Company provides services will be maintained at such a level that the related fee income will continue to exceed costs for the foreseeable future and at least during the next twelve months. This assessment takes into account the effects of the Covid 19 pandemic in the period since the statement of financial position date and the Directors' assessment reflects the following:

- the Company's investment management contracts are long term and investment in the funds to which the contracts relate cannot be withdrawn in the short or medium term;
- the fund investments are renewable energy assets which generate secure cash flows, and commitments to invest further are from investors with large reserves, for example, pension funds and government bodies;
- the renewable energy assets are at remote locations in the UK and Ireland and require maintenance from a few individuals on site;
- the Directors have successfully implemented business continuity plans with staff working remotely;
- the Company has surplus regulatory capital and the Temporis group has substantial cash reserves and a strong balance sheet which is available to the Company should the need arise.

Accordingly, the going concern basis has been adopted in preparing the financial statements.

### Auditor

MHA MacIntyre Hudson has indicated a willingness to continue in office and is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### Statement of disclosure to auditor

So far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware and each director has taken all the steps that they ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

# Temporis Capital Limited

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2019 (continued)

### Pillar 3 disclosure

The Company is required by its regulator, the Financial Conduct Authority, to make disclosures of its risk management, regulatory capital and remuneration policy available in accordance with Pillar 3 of the Capital Requirement Directive. These disclosures are available on the Company's website.

### Charitable donations

During the year ended 30 November 2019 the Company made charitable donations of £nil (2018: £600 to renewable energy and environmental charities).

### Directors' responsibility 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 its profit or loss for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the Company's transactions, to 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.

This report was approved and signed on behalf of the directors by:



Derry Guy

24<sup>th</sup> March 2020

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## **Independent auditor's report to the members of Temporis Capital Limited**

### **Opinion**

We have audited the financial statements of Temporis Capital Limited (the "Company") for the year ended 30 November 2019, which comprise the statement of total comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, 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 30 November 2019, 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 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information included in the strategic report and directors' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 to the members of Temporis Capital Limited (continued)**

### **Opinions on 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 our 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 and 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
- 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 3, 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 Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.

Deborah Weston (Senior Statutory Auditor)  
For and on behalf of MHA MacIntyre Hudson, Statutory Auditor  
6<sup>th</sup> Floor  
2 London Wall Place  
London  
EC2Y 5AU

24 March 2020



# Temporis Capital Limited

## STATEMENT OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 NOVEMBER 2019

	Note	2019 £	2018 £
Turnover	4	5,420,873	21,334,810
Cost of sales	5	-	(9,315,980)
		<u>5,420,873</u>	<u>12,018,830</u>
Administrative expenses	5	(4,037,435)	(4,939,325)
		<u>1,383,438</u>	<u>7,079,505</u>
Operating profit and profit on ordinary activities before taxation	6	1,383,438	7,079,505
Interest payable and similar charges		(23,760)	-
		<u>1,359,678</u>	<u>7,079,505</u>
Profit before taxation		1,359,678	7,079,505
Tax on profit on ordinary activities	9	(254,675)	(1,372,658)
		<u>1,105,003</u>	<u>5,706,847</u>
Retained profit		<u>1,105,003</u>	<u>5,706,847</u>

All amounts are in respect of continuing activities.

### Statement of comprehensive income

There were no other items of comprehensive income in the current or prior year other than the profit for the year shown above.

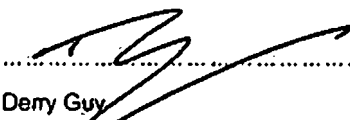
The notes on pages 10 to 20 form part of these financial statements.

# Temporis Capital Limited

## STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2019

		2019	2018
	Note	£	£
<b>Fixed assets</b>			
Tangible fixed assets	10	104,860	131,281
<b>Current assets</b>			
Debtors	11	9,373,130	7,396,370
Cash at bank and in hand		<u>706,972</u>	<u>2,214,193</u>
		10,080,102	9,610,563
<b>Creditors: amounts falling due within one year</b>	12	<u>(1,656,561)</u>	<u>(2,318,446)</u>
<b>Net current assets</b>		<u>8,423,541</u>	<u>7,292,117</u>
<b>Total assets less current liabilities</b>		<u>8,528,401</u>	<u>7,423,398</u>
<b>Net assets</b>		<u>8,528,401</u>	<u>7,423,398</u>
<b>Capital and reserves</b>			
Called up share capital	13	499,998	499,998
Share premium account	13	637,078	637,078
Retained earnings		6,941,325	5,836,322
Equity loan	2.10	<u>450,000</u>	<u>450,000</u>
		<u>8,528,401</u>	<u>7,423,398</u>

The financial statements were approved by the Board on 24<sup>th</sup> March 2020 and authorised for issue on their behalf by:

  
 Derry Guy  
 Director  
 Temporis Capital Limited  
 Registered number: 09000848 (England & Wales)

The notes on pages 10 to 20 form part of these financial statements.

# Temporis Capital Limited

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 NOVEMBER 2019

	Called up share capital £	Share Premium account £	Retained earnings £	Equity loan £	Shareholders' equity £
At 1 December 2018	499,998	637,078	5,836,322	450,000	7,423,398
Comprehensive income for the year:					
Profit for the year	-	-	1,105,003	-	1,105,003
Total comprehensive income for the year	-	-	1,105,003	-	1,105,003
At 30 November 2019	499,998	637,078	6,941,325	450,000	8,528,401

	Called up share capital £	Share Premium account £	Retained earnings £	Equity loan £	Shareholders' equity £
At 1 December 2017	499,998	637,078	129,475	450,000	1,716,551
Comprehensive income for the year:					
Profit for the year	-	-	5,706,847	-	5,706,847
Total comprehensive income for the year	-	-	5,706,847	-	5,706,847
At 30 November 2018	499,998	637,078	5,836,322	450,000	7,423,398

The notes on pages 10 to 20 form part of these financial statements.

# Temporis Capital Limited

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 NOVEMBER 2019

	2019 £	2018 £
<b>Cash used in operating activities</b>		
Profit before tax for the year	1,359,678	7,079,505
<b>Adjustments for:</b>		
Depreciation	58,004	116,737
Increase in debtors	(1,976,760)	(5,973,988)
Decrease in creditors	(916,560)	(526,616)
<b>Cash (used in)/from operating activities</b>	<b>(1,475,638)</b>	<b>695,638</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(31,583)	(109,770)
<b>Net cash used in investing activities</b>	<b>(31,583)</b>	<b>(109,770)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,507,221)</b>	<b>585,868</b>
Cash and cash equivalents at beginning of the year	2,214,193	1,628,325
	<b>706,972</b>	<b>2,214,193</b>
<b>Cash and cash equivalents at 30 November comprise:</b>		
Cash at bank	<b>706,972</b>	<b>2,214,193</b>

The Company has no borrowings and therefore no net debt reconciliation has been presented.

The notes on pages 10 to 20 form part of these financial statements.

# Temporis Capital Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019

### 1. GENERAL INFORMATION

Temporis Capital Limited (the "Company") is a private company limited by shares, registered in England and Wales. The address of the registered office and place of business is Berger House, 36-38 Berkeley Square, London, W1J 5AE.

### 2. ACCOUNTING POLICIES

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis, under the historical cost convention, in accordance with UK accounting standards incorporating Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and 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 judgement in applying the Company's accounting policies. See note 3.

The following principal accounting policies have been applied:

#### 2.2 Revenue recognition

Revenue is recognised on an accruals basis to the extent that it is probable that future economic benefits will flow to the Company and the revenue can be reliably measured.

Due to the unpredictable nature of financial markets, performance fees are accrued for only when they crystallise at the end of the performance measurement period.

#### 2.3 Expenses

Expenses are recognised on an accruals basis.

#### 2.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less depreciation and any accumulated impairment. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be operating in the manner intended by management.

Repairs and maintenance are charged to the Statement of comprehensive income during the period in which they are incurred.

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:

Plant and machinery: 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if there is an indication of a significant change since the last reporting date.

Any gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

# Temporis Capital Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019 (continued)

### 2. ACCOUNTING POLICIES (continued)

#### 2.5 Operating leases

Operating leases are those leases where an entity has use of an asset but where the significant risks and rewards remain with the lessor. Payments and receipts made under operating leases are recognised as income or expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

#### 2.6 Foreign currencies

The functional and presentation currency is Pounds Sterling, being the currency of the primary economic environment in which the Company operates.

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the date of the Statement of financial position are translated using the rate of exchange prevailing at that date.

Any gains and losses arising from a change in exchange rates are included as an exchange gain or loss in the Statement of comprehensive income.

#### 2.7 Taxation

Provision is made for corporation tax in the Statement of comprehensive income calculated on the basis of tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### 2.8 Pensions

The Company operates a defined contribution pension scheme. Contributions are recognised in the Statement of comprehensive income as they become payable in accordance with the rules of the scheme.

# Temporis Capital Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019 (continued)

### 2. ACCOUNTING POLICIES (continued)

#### 2.9 Financial Instruments

##### Financial assets

The Company's financial assets comprise basic financial instruments, being trade and other receivables and cash balances.

Cash is represented by deposits with financial institutions, repayable without penalty on notice of no more than 24 hours, and cash in hand.

Trade and other receivables are measured, initially, at transaction price and thereafter at the amount of cash or other consideration expected to be received, less any impairment. Any impairment loss is recognised in the Statement of comprehensive income.

Financial assets are derecognised when contractual rights to the cash flows from the financial asset expire or are settled, or when substantially all the risks and rewards of ownership have been transferred.

##### Impairment

An impairment loss is measured as the difference between an asset's carrying amount and the amount that the Company would receive for the asset if it were to be sold at the reporting date.

##### Financial liabilities

The Company's financial liabilities comprise of basic financial liabilities, being trade and other payables. These are measured initially at transaction price and thereafter at the amount of cash or other consideration expected to be paid.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### Offsetting

Financial assets and liabilities are offset and the net amounts presented in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 2.10 Equity loan

The Company has a loan of £450,000 from Temporis Limited and is measured at the amount of cash received less any transaction costs. The loan is interest free and, except on the winding up of the Company, any repayment is at the discretion of the Company. In accordance with FRS 102, the loan is classified as equity.

# Temporis Capital Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019 (continued)

### 3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the date of the Statement of financial position and the amounts reported for revenue and expenses during the year.

#### Critical judgements in applying the entity's accounting policies

The Directors have carefully considered the adoption of the going concern concept in preparing the financial statements, particularly in light of the effects of the covid 19 pandemic in the period since the statement of financial position date. Their assessment reflects the following:

- the Company's investment management contracts are long term and investment in the funds to which the contracts relate cannot be withdrawn in the short or medium term;
- the fund investments are renewable energy assets which generate secure cash flows, and commitments to invest further are from investors with large reserves, for example, pension funds and government bodies;
- the renewable energy assets are at remote locations in the UK and Ireland and require maintenance from a few individuals on site;
- the Directors have successfully implemented business continuity plans with staff working remotely;
- the Company has surplus regulatory capital and the Temporis group has substantial cash reserves and a strong balance sheet which is available to the Company should the need arise.

The Directors conclude that the Company has sufficient liquid resources and ongoing contracts for the provision of investment management and advisory services, which are expected to continue for the foreseeable future. It is envisaged that the assets of the funds to which the Company provides services will be maintained at such a level that the related fee income will continue to exceed costs for the foreseeable future and at least during the next twelve months.

Accordingly, the going concern basis has been adopted in preparing the financial statements.

The Directors have not been required to make any other critical judgements in applying the accounting policies.

#### Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates may not equal the related actual results. There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities within the next financial year are addressed below.



# Temporis Capital Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019 (continued)

### 4. REVENUE

<i>Area of activity</i>	<b>2019</b>	<b>2018</b>
	£	£
Investment management and advisory	4,587,062	20,951,265
Other revenue	833,811	383,545
	<u>5,420,873</u>	<u>21,334,810</u>

Other revenue comprises directors' fees and income from rental and administration services.

<i>Geographical area</i>	<b>2019</b>	<b>2018</b>
	£	£
United Kingdom	4,012,950	3,967,827
Rest of Europe	1,407,923	14,438,648
USA	-	2,928,335
	<u>5,420,873</u>	<u>21,334,810</u>

### 5. COST OF SALES AND ADMINISTRATIVE EXPENSES

Cost of sales includes the cost of professional fees incurred in relation to the supply of investment management services. Administrative expenses include salary costs, other professional fees, rent, market data services and foreign exchange gains and losses.

### 6. OPERATING PROFIT

	<b>2019</b>	<b>2018</b>
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	58,004	116,737
Loss/(gain) on foreign exchange transactions	42,473	(92,276)
Operating lease rentals	316,070	314,320
Auditor's remuneration – audit services	<u>15,500</u>	<u>15,500</u>

# Temporis Capital Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019 (continued)

### 7. EMPLOYEES

The average number of people employed by the Company during the year ended 30 November 2019, including the directors, was:

	2019	2018
	£	£
Directors	5	5
Administrators	9	9
Investment professionals	17	15
	<u>31</u>	<u>29</u>

The aggregate payroll costs incurred during the year ended 30 November 2019 were:

	2019	2018
	£	£
Wages and salaries	1,860,315	2,770,632
Social security costs	366,724	359,008
Pension contributions	172,052	113,807
Other benefits	96,108	70,021
	<u>2,495,199</u>	<u>3,313,468</u>

### 8. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services during the year ended 30 November 2019 was:

	2019	2018
	£	£
Remuneration	<u>523,756</u>	<u>521,245</u>

The highest paid director received remuneration of £109,200 during the year ended 30 November 2019 (2018: £107,704).

# Temporis Capital Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019 (continued)

### 9. TAXATION

#### a) Tax on profit for the year

	2019 £	2018 £
Current tax	254,675	1,372,658
Deferred tax		
Total tax	254,675	1,372,658

#### b) Factors affecting tax charge for the year

The tax assessed on the profit for the year is higher than (2018: higher than) the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%). The differences are explained below:

	2019 £	2018 £
Profit before taxation	1,359,678	7,079,505
Profit before taxation multiplied by the standard rate of tax of 19% (2018: 19%)	258,339	1,345,106
Disallowed expenses	4,516	14,674
Depreciation in excess of capital allowances	1,311	15,449
Tax charge over accrued in prior year	(9,491)	(2,571)
Total tax charge	254,675	1,372,658

#### c) Factors affecting future tax charges

The Company has an unrecognised deferred tax asset of £1,953 (2018: £17,174), measured at the future rate of tax of 19% (2018: 17%), in respect of depreciation in excess of capital allowances. The deferred tax asset has not been recognised as it is not certain when taxable profits will be available against which it may be offset.

# Temporis Capital Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019 (continued)

### 10. TANGIBLE FIXED ASSETS

	Plant and machinery £
<b>Cost</b>	
At 1 December 2018	320,904
Additions	31,583
At 30 November 2019	352,487
<b>Depreciation</b>	
At 1 December 2018	189,623
Charge for the year	58,004
At 30 November 2019	247,627
<b>Net book value</b>	
At 30 November 2019	104,860
At 30 November 2018	131,281

### 11. DEBTORS

	2019 £	2018 £
Trade receivables	644,509	836,952
Amounts receivable from related parties	8,326,625	6,017,627
Prepayments and accrued income	249,652	239,421
Other debtors	152,344	302,370
	<u>9,373,130</u>	<u>7,396,370</u>

Included in other debtors is a rent deposit for £150,000.

# Temporis Capital Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019 (continued)

### 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	75,986	108,363
Taxes and social security costs	146,725	77,188
Corporation tax	264,481	1,375,229
Amounts due to related parties	11,792	67,805
Accruals and deferred income	1,157,577	653,861
Rent deposit	-	36,000
	<u>1,656,561</u>	<u>2,318,446</u>

Included within trade creditors is a pension contribution payable of £10,434 (2018: £5,403).

### 13. SHARE CAPITAL

	2019	2018
	£	£
Allotted, called up and fully paid		
272,935 A shares of £1.374	375,013	375,013
90,985 B shares of £1.00	90,985	90,985
136,000 C shares of £0.25	<u>34,000</u>	<u>34,000</u>
	<u>499,998</u>	<u>499,998</u>

The Company's A shares were issued at a premium of 233.4175p per share.

The A, B and C shares are ordinary shares and have equal voting rights. The Company may, with the consent of not less than 60% of the shareholders:

- declare a different dividend or interim dividend per share for each class of share; and/or
- vary or abrogate the special rights attached to any class of share.

# Temporis Capital Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019 (continued)

### 14. FINANCIAL COMMITMENTS

At 30 November 2019 the Company total future financial commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2019	2018
	£	£
Operating lease commitments:		
Within one year	238,962	355,022
Between two and five years	-	-
	<u>238,962</u>	<u>355,022</u>

On 6 August 2019 the Company extended its office lease for a minimum period up to 31 August 2020.

### 15. RELATED PARTY TRANSACTIONS

Temporis Limited, a company incorporated in Malta, is the ultimate controlling party of the Company.

During the year Temporis Limited paid costs of £56,348 on behalf of the Company which were netted against the amount Temporis Limited owed the Company. As at 30 November 2019 the amount outstanding from Temporis Limited to the Company was £5,875,754 (2018: £5,932,102). See note 2.10 for details of the loan from Temporis Limited.

Thalia Power Limited is a related party as it is under common ownership with the Company. During the year ended 30 November 2019 the Company earned £512,627 from providing administration services to Thalia Power Limited (2018: £149,820). At 30 November 2019, the Company was owed £425,382 by Thalia Power Limited (2018: £68,540).

Candelia Limited is a related party as it is the immediate parent company of the Company. As at 30 November 2019 the Company owed £11,792 to Candelia Limited (2018: £11,805).

Temporis Investment Management Limited, a company incorporated in Malta, is under common ownership with the Company. During the year ended 30 November 2019 the Company earned £532,315 from providing advisory services to Temporis Investment Management Limited (2018: £513,566). As at 30 November 2019 there were no amounts receivable or payable between the Company and Temporis Investment Management Limited (Malta) (2018: £56,000 payable to Temporis Investment Management Limited).

# Temporis Capital Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2019

### 15. RELATED PARTY TRANSACTIONS (continued)

Temporis Investment Management Limited, a company incorporated in Ireland, is a related party as it is under common ownership with the Company. During the year ended 30 November 2019 the Company earned £875,608 from providing advisory services to Temporis Investment Management Limited (2018: £nil). As at 30 November 2019 there were no amounts receivable or payable between the Company and Temporis Investment Management Limited (Ireland) (2018: £nil).

During the year ended 30 November 2019 the Company was part reimbursed for personal expenses paid on behalf of the directors. As at 30 November 2019 £2,699 was payable to the Company by the directors for those expenses (2018: £16,985).

Ohme Operations UK Limited is a related party of the Company given they have the same ultimate shareholders and have directors in common. During the year ended 30 November 2019 the Company incurred expenses of £2,022,790 in respect of a business which it transferred to Ohme Operations UK Limited on 31 January 2020 as a going concern. The amount of the expenses incurred is included in amounts receivable from related parties.

Key management are considered to be the directors of the Company – see note 8 for disclosure of directors' remuneration.