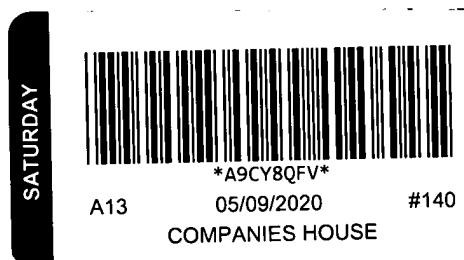




ANNUAL REPORT 2019-2020

Strategic Report, Report of the Directors and Unaudited Financial Statements
for the Year Ended 31 March 2020 for Shawpoint Ltd.



Shawpoint Ltd.

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for the Year Ended 31 March 2020**

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Shawpoint Ltd.

COMPANY INFORMATION
for the Year Ended 31 March 2020

Directors

Jon Shaw
Michael Kaladeen FCA

Registered Office

Shawpoint Ltd.
16 Beaufort Court,
Admirals Way,
Canary Wharf,
London E14 9XL,
United Kingdom.

Registered Number

10580815 (England and Wales)

Company Office

Shawpoint Ltd.,
107 Fleet Street,
City of London,
London EC4A 2AB,
United Kingdom.

Company Bankers

Barclays Bank Plc,
Churchill Place,
Canary Wharf,
London E14 5RB,
United Kingdom

Solicitors

Wellers Law Group LLP,
65 Leadenhall Street,
City of London,
London EC3A 2AD,
United Kingdom.

Accountants

RBS Accountants Limited,
16 Beaufort Court
Admirals Way,
Canary Wharf,
London E14 9XL,
United Kingdom.

Shawpoint Ltd.

STRATEGIC REPORT

for the Year Ended 31 March 2020

OUR STORY

Shawpoint is an independent corporate finance advisory firm offering clients access to a range of investment banking services. The firm focuses on supporting and addressing the needs of clients whose companies are often overlooked by investment banks and boutique investment banks. Many of our clients are 'un-investment banked'.

The firm grew from the experiences of our founder, Jon Shaw, a former bond trader and entrepreneur.

Jon Shaw founded the firm in 2017 to provide debt advisory and expert debt advice to Magic and Silver Circle law firms. This evolved into corporate finance advisory services and the financial year 2019-2020 was the firm's first year as a corporate finance firm.

During this first year the firm has been engaged by clients who have chosen Shawpoint in competition with well-established banks and firms which included: an investments bank, a boutique investment bank, and two of the Big Four's M&A departments. This is a tremendous achievement. Our clients' feedback is that they believe we provide more focus on their immediate needs than the universal, cross-selling competition.

The firm dedicates itself to meeting the needs of largely early stage and founder-led mature companies in the sub-£100m range who need investment banking services to grow, restructure, or sell themselves.

We believe this is an important part of the economy to support and enable. Providing these value adding services is a significant growth opportunity for Shawpoint.

Our logo conveys our intention: to provide investment banking services and City access for SMEs.

Principal Risks and Uncertainties

Credit Risk

The firm's primary credit risk is its bank (the firm's cash balance), Barclays Bank Plc (S&P: A, Moody's: A1) and trade debtors. Where the firm's remuneration from clients is success fee based this is paid at the end of a client business sale or fund raise for the client, which is when the client will have cash to make payments due to the firm. For the minority of the firm's work, which is consultancy, the firm is paid monthly not later than a Net 30 basis.

Shawpoint Ltd.

STRATEGIC REPORT for the Year Ended 31 March 2020

Foreign Exchange Risk

The firm's cost base is predominantly salaries due in GBP. The firm maintains GBP and EUR bank accounts.

Interest Rate Risk

The firm has no debt and maintains a positive balance in its bank accounts. The possibility of negative interest rates would not have a material effect on the firm's financial situation.

Political Involvement

The firm made no political donations (2019: £ nil). The firm has no intention of donating to political parties or politicians in the future.

Chief Executive's Report

Execution

The firm has helped our clients achieve their financing objectives in diverse and difficult circumstances. This work has included:

- ▮ Cross-border transactions involving multiple governing laws
- ▮ Corporate strategic investment and acquisitions
- ▮ Corporate restructuring advisory

Our investor base network includes:

- ▮ Sovereign wealth funds
- ▮ Corporate strategic investors
- ▮ Private equity funds
- ▮ Family offices

Deal Origination

The firm has originated business from referrals based on the firm's directors' networks and from transactions it has undertaken. We have been referred new opportunities from the shareholders and management teams of our clients, as well as the management teams of acquiring firms who came to know and judge our capabilities from the opposing side of a deal.

Shawpoint Ltd.

STRATEGIC REPORT for the Year Ended 31 March 2020

Expertise

At the end of the 2018 calendar year the firm was a team of two with debt experience from Jon Shaw and M&A experience from Michael Kaladeen. Mr Kaladeen is a former Morgan Stanley and Fenchurch Advisory Partners M&A investment banker who qualified as a Chartered Accountant at PriceWaterhouseCoopers (PwC).

Throughout the year the firm increased the breadth of domain knowledge and experience in its London team which now comprises seven people. This team includes a senior in-house compliance professional, which only a handful of City corporate finance firms maintain.

Shawpoint has provided the following advice to clients during the year:

- ✔ Privately raised equity
- ✔ Private debt raising and structuring, including Green Bonds
- ✔ M&A: sell-side mandates
- ✔ Corporate restructuring

The firm does not undertake primary or secondary client activity in the public equity markets, or distribution in benchmark debt securities, or underwriting activities. The firm has no plans to provide these services.

Culture and Standards

The culture of a firm is the primary driver of its success. We regard culture as the behaviour someone will undertake in the absence of direction. Culture is the set of values that the everyone in the firm universally values and undertakes. Explaining, developing and enshrining culture is critical to the firm.

The firm became accredited by 'Investors in People' following a successful external audit in March 2020. This resulted in a number of improvements to our internal processes. The firm will be externally audited periodically to maintain this accreditation.

Financial Management

The prudent running of our firm provides our clients trust in our delivery. Ensuring our own financial sustainability in the case of the worst economic and financial shocks (while reducing our returns in the short term) maximises our long term stability and execution ability through the most strenuous challenges.

Shawpoint Ltd.

STRATEGIC REPORT for the Year Ended 31 March 2020

The firm adheres to three financial maxims:

- ✔ Maintain sufficient capital to fulfilling all financial obligations both internally and externally, and maintain necessary staff to fulfil client obligations for 9 months, even in the extreme shock situation of having no revenue during that period;
- ✔ No debt borrowing will be incurred (nor factoring);
- ✔ Payment of valid, commercial invoices within 30 days.

The firm promptly pays suppliers for their goods and services as a matter of good practice.

Covid-2019

The UK government made considerable efforts to support businesses during the Covid-2019 pandemic. This has included support from HMRC and the Bank of England. Shawpoint has not applied for any Covid-2019 schemes and has not knowingly received any such benefits.

Shawpoint has not furloughed any staff nor reduced headcount.

Shawpoint has not applied for, nor has the intention of applying for any Covid-2019 government support scheme. This includes, but is not limited to:

- ✔ Coronavirus Business Interruption Loan Scheme (CBILS)
- ✔ Bounce Back Loan Scheme (BBLs)
- ✔ HMRC's Furlough Scheme
- ✔ VAT deferment

Corporate Governance

The firm will soon be ten people and proportionality is required when developing corporate governance as the firm grows.

The firm's business continuity plan (BCP) was put to test and executed without problem when Covid-2019 affected the UK. The firm began decentralised working (largely from home) which was implemented two weeks prior to the UK government's 'lockdown' instruction of March 26th, 2020.

The board is committed to the fiduciary requirements of its regulator, the Financial Conduct Authority, and to its duty of care to its clients.

Shawpoint Ltd.

**STRATEGIC REPORT
for the Year Ended 31 March 2020**

In the coming financial year 2020-2021 the firm will:

Seek ISO 9001:2015 (Quality Management) Accreditation

The firm will seek ISO 9001 external audit and accreditation. Many of our clients supply products and services to customers who have high standards – we hold ourselves to the same standards as our clients.

Establish a Risk Committee

The Risk Committee will receive delegated authority from the board of the firm. The purpose of the committee will be to review, on behalf of the board, management's risk framework, assessment and recommendations on firm wide risks including financial, operational and reputational risk.

The committee may investigate any activity within these parameters and, within its scope of responsibilities, to seek any information it requires and to ensure the attendance of management representatives at meetings as appropriate.

The committee will have the authority to obtain outside legal or independent professional advice.

Participants:

Name	Shawpoint Role	Risk Committee Role
Jason Gardiner	Compliance Advisor	Chairperson
Simon Yun-Farmbrough	Vice Chairman	Member

Appoint a Senior Independent Director (SID)

The firm will consider appointing a SID in 2020-2021, but will implement by 2021-2022.

The appointment will be for a non-executive member of the board (NED) with significant prior investment banking experience and it will require the SID will undertake enhanced NED commitments.

These duties are required under business as usual, but become vitally important should the board experience a period of stress. The SID is expected to work with the board to resolve major issues.

Shawpoint Ltd.

STRATEGIC REPORT for the Year Ended 31 March 2020

Business Growth

The firm has grown well and we are fortunate to have more organic opportunities in our pipeline than we can undertake.

We will remain focused on our expertise and plan to continue organic growth servicing the 'un-investment banked'. There is the possibility to grow overseas and within the UK (i.e. a second office outside of London).

The firm is actively considering ways to enable support for younger stage firms.

ENVIRONMENTAL, SOCIAL, GOVERNANCE REPORT

Carbon Neutral

Shawpoint understands 'Carbon Neutral' as a term to describe the state of an entity (such as the firm), where the carbon emissions caused by them have been balanced out by funding an equivalent amount of carbon savings elsewhere in the world.

The firm uses Carbon Footprint to calculate the carbon created by Shawpoint's activities and subsequent offsetting requirements. Carbon Footprint is a UK incorporated company adhering to ISO 9001 and ISO 14001 (Environmental Management) standards used by SMEs, public sector entities and Blue Chip companies.

In the financial year 2019-2020 the firm generated the following emissions from its offices in London and staff work-related travel:

	Carbon Footprint (tonnes CO2e)
Offices	5.16
Travel*	1.84
TOTAL	7.01
TOTAL/STAFF	1.17

*For aviation travel calculations the firm uses "radiative forcing" methodology, which results in a conservative, higher carbon footprint calculation.

Shawpoint Ltd.

**STRATEGIC REPORT
for the Year Ended 31 March 2020**

The firm offset its carbon footprint by financing the planting of 8 tonnes CO₂e of broad leaf trees in the North West of England in May 2020.

Career Enablement

The firm provides internships to undergraduates and graduates. This providing an opportunity for motivated individuals to experience the City and improve their employment opportunities.

This year the firm provided 4 such internships.

On Behalf of the board:

A handwritten signature in black ink, appearing to be 'D. H. H.', written over a horizontal line.

DIRECTOR

DATE August 21st 2020

Shawpoint Ltd.

**REPORT OF THE DIRECTORS
for the Year Ended 31 March 2020**

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

DIRECTORS

J Shaw and M Kaladeen have held office during the whole of the period from 1 April 2019 to the date of this report.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



DIRECTOR

DATE August 21st 2020

Shawpoint Ltd.

INCOME STATEMENT
for the Year Ended 31 March 2020

	31.3.20	31.3.19
	£	£
REVENUE	448,786	-
Cost of sales	<u>46,157</u>	<u>-</u>
GROSS PROFIT	402,629	-
Administrative expenses	<u>210,313</u>	<u>5,887</u>
OPERATING PROFIT/(LOSS)	192,316	(5,887)
Interest receivable and similar income	<u>5</u>	<u>5</u>
	192,321	(5,882)
Interest payable and similar expenses	<u>57</u>	<u>-</u>
PROFIT/(LOSS) BEFORE TAXATION	192,264	(5,882)
Tax on profit/(loss)	<u>38,490</u>	<u>(1,050)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	<u>153,774</u>	<u>(4,832)</u>

The notes form part of these financial statements

Shawpoint Ltd.

BALANCE SHEET

for the Year Ended 31 March 2020

	Notes	31.3.20 £	31.3.19 £
CURRENT ASSETS			
Debtors	4	16,050	3,090
Cash at bank		136,406	1,369
		<u>152,456</u>	<u>4,459</u>
CREDITORS			
Amounts falling due within one year	5	109,024	5,066
NET CURRENT ASSETS/(LIABILITIES)		<u>43,432</u>	<u>(607)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		43,432	(607)
CAPITAL AND RESERVES			
Called up share capital		100	100
Retained earnings		<u>43,332</u>	<u>(707)</u>
		<u>43,432</u>	<u>(607)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and

The notes form part of these financial statements

Shawpoint Ltd.

BALANCE SHEET

for the Year Ended 31 March 2020

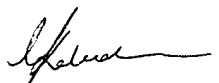
which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 21st August 2020 and were signed on its behalf by:



J Shaw - Director



M Kaladeen - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2020

1. STATUTORY INFORMATION

Shawpoint Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Shawpoint Ltd.

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2020

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 3 (2019 - NIL).

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20	31.3.19
	£	£
Other debtors	<u>16,050</u>	<u>3,090</u>

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20	31.3.19
	£	£
Taxation and social security	84,024	2,858
Other creditors	<u>25,000</u>	<u>2,208</u>
	<u>109,024</u>	<u>5,066</u>

Shawpoint Ltd.

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF SHAWPOINT LTD**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Shawpoint Ltd for the year ended 31 March 2020 which comprise the Income Statement, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Shawpoint Ltd, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Shawpoint Ltd and state those matters that we have agreed to state to the Board of Directors of Shawpoint Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Shawpoint Ltd and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Shawpoint Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Shawpoint Ltd. You consider that Shawpoint Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Shawpoint Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



RBS Accountants Limited,
16 Beaufort Court,
Admirals Way,
London E14 9XL

Date: 2/9/20

This page does not form part of the statutory financial accounts