

**Knight Frank Middle East Limited**

Registered in England number 03055287

**Directors' report and financial statements  
Year ended 31 March 2021**



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## Strategic Report for the year ended 31 March 2021

### Business review

The principal activity of the company is providing property services within the United Arab Emirates (UAE) and the Kingdom of Saudi Arabia (KSA) regions.

The company made a loss for the year of £97,085 (2020: restated loss £1,379,547) and had net liabilities of £1,570,492 (2020: restated net liabilities £1,473,408).

The results for the year, as shown on page 8, and the financial position of the company as shown on page 9, are considered to be satisfactory by the directors.

### Principal risks and uncertainties

The principal risk of the business is its exposure to the property market within Dubai, particularly in respect of its brokerage service line. This risk is mitigated somewhat by our KSA business which is mainly dependent on government mandates linked to longer term strategic reforms rather than short term market cycles. A secondary risk arises from delayed or lack of payment from clients. This risk is mitigated through requiring payment up front or having payments linked to milestones and not providing final reports until payment is received.

### Key financial performance indicators

Knight Frank Middle East is continuing to strive for profitable growth. This is being achieved by measuring gross margin for both advisory and brokerage service lines and the overall business. Employee incentives are linked to this measure, with a hurdle rate required to be achieved before any bonuses are earned.

### Future developments

No other significant changes to the business activities are expected in the foreseeable future.

By order of the board



**M S Tweedie**  
Director

25 March 2022  
55 Baker Street  
London W1U 8AN

## **Directors' Report**

The directors present their report and the financial statements for the year ended 31 March 2021.

The company's registered number is 03055287.

## **Dividends**

No dividend was paid or recommended during the year (2020: £nil).

## **Donations**

The company has not made any political or charitable donations during either year.

## **Directors**

The directors who held office during the year were:

A C Elliott  
M S Tweedie

## **Disclosure of information to auditor**

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

## **Going concern**

As at 31<sup>st</sup> March 2021 the company had net liabilities of £1,570,492 and had made a loss of £97,085. However, the financial statements have been prepared on a going concern basis as the ultimate parent company (Knight Frank LLP) has pledged to continue support for a minimum of twelve months, from the date of issue of these financial statements.

## **Auditor**

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

By order of the board



**M S Tweedie**  
Director

25 March 2022  
55 Baker Street  
London W1U 8AN

**Statement of director's responsibilities in respect of the Strategic Report, the Directors' Report and financial 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent auditor's report to the members of Knight Frank Middle East Limited**

### **Opinion**

We have audited the financial statements of Knight Frank Middle East Limited ("the Company") for the year ended 31 March 2021 which comprise the Profit and Loss Account and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 1.2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets for management and directors.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that management may be in a position to make inappropriate accounting entries;
- the risk that revenue is overstated or understated through recording revenues in the wrong period.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management and those posted to unusual accounts.
- Sampling revenue transactions either side of year-end to identify any instances of overstatement and understatement of revenue

#### *Identifying and responding to risks of material misstatement related to compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of Company's license to operate. We identified the following areas as those most likely to have such an effect: anti-bribery, employment law, local trade license regulation and certain aspects of company legislation, recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

#### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

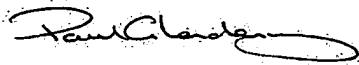
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).



**The purpose of our audit work and to whom we owe our responsibilities**

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.



**Paul Glendenning (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
Canary Wharf  
E14 5GL  
London  
28 March 2022

**Profit and loss account and other comprehensive income**  
**For the year ended 31 March 2021**

|   | Note | <b>2021</b><br>£ | Restated<br>2020<br>£ |
|---|------|------------------|-----------------------|
| <b>Turnover</b>   | 2    | 6,036,404        | 5,686,212             |
| Cost of sales   |      | (6,699,390)      | (6,739,274)           |
|   |      | <hr/>            | <hr/>                 |
| <b>Gross loss</b>   |      | (662,986)        | (1,053,062)           |
| Operating costs   |      | -                | (131,682)             |
| Other operating income  |      | 728,881          | 250,490               |
| Depreciation  | 6    | (90,465)         | (134,684)             |
| Exchange differences  |      | (72,515)         | (310,610)             |
|   |      | <hr/>            | <hr/>                 |
| <b>Loss on ordinary activities before taxation</b>              |      | (97,085)         | (1,379,548)           |
| Tax on loss on ordinary activities                              | 5    | -                | -                     |
|   |      | <hr/>            | <hr/>                 |
| <b>Loss and total comprehensive loss for the financial year</b> |      | (97,085)         | (1,379,548)           |
|   |      | <hr/>            | <hr/>                 |

The notes on pages 11-16 form part of these financial statements.

The results for the current and prior year relate solely to continuing activities.

**Statement of financial position  
As at 31 March 2021**

|   | Notes | 2021<br>£         | Restated<br>2020<br>£ |
|---|-------|-------------------|-----------------------|
| <b>Fixed assets</b>                                   | 6     | 71,289            | 140,437               |
| <b>Current assets</b>                                 |       |                   |                       |
| Debtors   | 7     | 3,762,428         | 2,910,140             |
| Cash at bank and in hand                              |       | 948,462           | 504,769               |
|   |       | <hr/>             | <hr/>                 |
|   |       | 4,710,890         | 3,414,909             |
| <b>Creditors: amounts falling due within one year</b> | 8     | <hr/> (6,352,672) | <hr/> (5,028,754)     |
| <b>Net current liabilities</b>                        |       | <hr/> (1,641,782) | <hr/> (1,613,845)     |
| <b>Net liabilities</b>                                |       | <hr/> (1,570,493) | <hr/> (1,473,408)     |
| <b>Capital and reserves</b>                           |       |                   |                       |
| Called up share capital                               |       | 2                 | 2                     |
| Profit and loss account                               |       | (1,570,495)       | (1,473,410)           |
|   |       | <hr/>             | <hr/>                 |
| <b>Shareholders' funds</b>                            |       | <hr/> (1,570,493) | <hr/> (1,473,408)     |

The notes on pages 11-16 form part of these financial statements.

Company's registration number 03055287.

The financial statements were approved by the board of directors on 25 March 2022 and were signed on its behalf by:



**M S Tweedie**  
Director

**Knight Frank Middle East Limited**  
**Directors' Report and Financial Statements**  
**For the year ended 31 March 2021**

**Statement of Changes in Equity**  
**For the year ended 31 March 2021**

|   | Called up<br>share<br>capital | Restated<br>profit and<br>loss<br>account | Restated total<br>equity  |
|---|-------------------------------|---|---------------------------|
|   | £                             | £   | £                         |
| <b>Balance at 1 April 2020</b>  | <b>2</b>                      | <b>(93,862)</b>                           | <b>(96,860)</b>           |
| Loss for the financial year and total comprehensive<br>loss for the year (restated) | -                             | (1,379,548)                               | (1,379,548)               |
| <b>Balance at 31 March 2020 restated</b>  | <b>2</b>                      | <b>(1,473,410)</b>                        | <b>(1,473,408)</b>        |
| Loss for the financial year and total comprehensive<br>profit for the year          | -                             | (97,085)                                  | (97,085)                  |
| <b>Balance at 31 March 2021</b>   | <b><u>2</u></b>               | <b><u>(1,570,495)</u></b>                 | <b><u>(1,570,493)</u></b> |

The accompanying notes form part of the financial statements.

## Notes

(forming part of the financial statements)

### 1.1 General information

The company is a private company limited by share capital, incorporated in England and Wales. The address of its registered office is 55 Baker Street, London W1U 8AN.

### 1.2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in March 2018. The presentation currency of these financial statements is sterling. These financial statements have been prepared under the historical cost convention.

Under Financial Reporting Standard 102 (Paragraph 1.12), the company is exempt from the requirement to prepare a cash flow statement as been a qualifying entity on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Knight Frank LLP, the company has taken advantage of the exemption contained in Section 33 of FRS 102 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Knight Frank LLP, within which this company is included, can be obtained from Companies House.

#### Going concern

The Company is a member of the Knight Frank LLP group ('the Group'). It provides property services within the United Arab Emirates and the Kingdom of Saudi Arabia regions and its results are considered to be satisfactory during the pandemic to 25 March 2022.

As at 31 March 2021 the Company has net current liabilities of £1.8M and net liabilities of £1.7M as a result of how the Company's funding is structured. Further, the Company is reliant on the Group to perform certain operational and administrative functions on behalf of the Company. The Group has indicated its intention to provide financial support as is necessary, and to not demand repayment of existing funding, if the Company does not have sufficient funds to do so. As with any reliance on others for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, taking into account the financial position of the Group described below, the Directors have no reason to believe that it will not do so.

In assessing the ability of the Group to continue to support the Company the Directors have considered the ability of the Group to continue as a going concern.

During the year ended 31 March 2021 the Group made a profit before tax of £176,994,000. On 11 March 2020 the World Health Organisation declared a global pandemic, the early stages of which had a significant impact on the Group, particularly during the first quarter of the financial year ended 31 March 2021.

The Group's Global Executive Board ('GEB') has performed a detailed going concern assessment based on the latest approved budgets and taking account of the significant uncertainty arising from the Covid-19 pandemic covering the period to December 2022. The assessment includes a significant downside scenario analysis.

## **Notes (continued)**

### **1.2 Accounting policies (continued)**

Specifically, the directors have considered a severe but plausible downside scenario which includes:

- An overall reduction of revenue of 10% in the year to 31 March 2022 compared with budgeted revenue in 2022. This reduction reflects a potential for a slowing of residential sales and a slower pickup in commercial transactional business.
- Forecast revenue is assumed to improve from 1 April 2022 but remains similar to pandemic levels in the downside forecasts to 31 December 2022.
- The termination of Government support including job support schemes and rates relief.

The Group currently has no external debt and very significant cash balances. At 31 March 2021 the Group had net cash and cash equivalents of £245,075,000 and trading performance has exceeded budget up to the date of the financial statement approval. Having considered the severe but plausible scenario noted above and forecast cash balance, the GEB have concluded that the Group has sufficient cash reserves and local facilities, where appropriate, to continue in operational existence until at least the end of December 2022. Consequently, the GEB continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Having considered both the Company and Group, the Directors are confident that the company will have sufficient funds and other support to continue operating and meets its liabilities as they fall due, until at least 31 December 2022, and therefore prepared the financial statements of the Company on a going concern basis.

### **Income**

Fees and commissions are stated net of value added tax and of commissions shared with third parties.

Turnover represents fees and commissions receivable excluding value added tax. Turnover from property consultancy and services are recognised as activity progresses, measured on percentage completion, time elapsed or value delivered in the period depending on the terms of the underlying contracts. Turnover from transaction-based activity is recognised when contracts become unconditional generally on exchange of contracts for residential transactions and completion of contracts for commercial transactions.

Value Added Tax came into effect in the UAE on 1 January 2018.

### **Other operating income**

Knight Frank Middle East Limited charge a fee for expenses incurred on behalf of Knight Frank Spain Saudi Arabia Company.

### **Depreciation**

Depreciation is provided to write off the cost or valuation less estimated residual value of tangible fixed assets on a straight line basis as follows:

|                        |   |                     |
|------------------------|---|---------------------|
| Furniture and fittings | - | 20% - 33% per annum |
| Computer equipment     | - | 33% per annum       |
| Cars                   | - | 20% per annum       |
| Fit outs               | - | 20% per annum       |

**Notes (continued)**

**1.2 Accounting policies (continued)**

**Foreign currencies**

The presentation and functional currency of these financial statements is sterling. Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the end balance sheet date and gains or losses on transactions are included in the profit and loss account.

**Trade and other debtors / creditors**

Debtors and creditors (both trade and other) are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

**Taxation**

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date.

**Notes (continued)**

**1.3 Prior Year Adjustment**

During 2021, the company discovered that the prior year accounts included the figures of a branch that was set up in 2020 that is not owned by this legal entity. As a consequence, turnover, operating costs, exchange differences on translation of foreign operations and the related assets and liabilities have been removed and transactions between the company and the branch have been reinstated. The following tables summarise the impacts on the Company's financial statements.

**Statement of financial position**

| <b>31 March 2020</b>                                  | <b>As<br/>previously<br/>reported</b> | <b>Adjustments</b> | <b>As restated</b> |
|---|---------------------------------------|--------------------|--------------------|
|   | <b>£</b>                              | <b>£</b>           | <b>£</b>           |
| <b>Fixed assets</b>                                   | 140,437                               | -                  | 140,437            |
| <b>Current assets</b>                                 |                                       |                    |                    |
| Debtors   | 2,738,138                             | 172,002            | 2,910,140          |
| Cash at bank and in hand                              | 504,769                               | -                  | 504,769            |
|   | 3,242,907                             | 172,002            | 3,414,909          |
| <b>Creditors: amounts falling due within one year</b> | (4,261,445)                           | (767,309)          | (5,028,754)        |
| <b>Net current liabilities</b>                        | (1,018,538)                           | (595,307)          | (1,613,845)        |
| <b>Net liabilities</b>                                | (878,101)                             | (595,307)          | (1,473,408)        |
| <b>Capital and reserves</b>                           |                                       |                    |                    |
| Called up share capital                               | 2                                     | -                  | 2                  |
| Profit and loss account                               | (878,103)                             | (595,307)          | (1,473,410)        |
| <b>Shareholders' funds</b>                            | (878,101)                             | (595,307)          | (1,473,408)        |

**Profit and loss account and other comprehensive income**  
**For the year ended 31 March 2020**

|   | <b>As<br/>previously<br/>reported</b> | <b>Adjustments</b> | <b>As restated</b> |
|---|---------------------------------------|--------------------|--------------------|
|   | <b>£</b>                              | <b>£</b>           | <b>£</b>           |
| <b>Turnover</b>   | 7,006,107                             | (1,319,895)        | 5,686,212          |
| Cost of sales   | (7,427,861)                           | 688,587            | (6,739,274)        |
| Operating costs   | -                                     | (131,682)          | (131,682)          |
| Operating income  | -                                     | 250,490            | 250,490            |
| Exchange differences  | (227,803)                             | (82,807)           | (310,610)          |
| Others  | (134,684)                             | -                  | (134,684)          |
| <b>Loss and total comprehensive expenses for the financial year</b> | (784,241)                             | (595,307)          | (1,379,548)        |



**Notes (continued)**

**2 Turnover**

Turnover represents the company's share of income generated by operations in the UAE (£4,704,285) and KSA (£1,332,119), excluding value added tax.

**3 Staff numbers and costs**

The average number of persons employed by the company (including directors) during the year was as follows:

|                    | 2021             | Restated<br>2020 |
|--------------------|------------------|------------------|
| Total staff        | 68               | 72               |
|                    | <u>2021</u>      | <u>2020</u>      |
|                    | £                | £                |
| Wages and salaries | 4,334,650        | 4,400,638        |
| Other staff costs  | 28,186           | 34,074           |
|                    | <u>4,362,836</u> | <u>4,434,712</u> |

No directors received any emoluments in respect of their office during the year (2020: £nil).

**4 Profit on ordinary activities before taxation**

The audit fee of £8,300 (2020: £7,500) for the year was borne by Knight Frank LLP.  
There were no non-audit services provided by the company's auditor during the year (2020: £nil).

**5 Tax on profit on ordinary activities**

|   | 2021     | Restated<br>2020 |
|---|----------|------------------|
|   | £        | £                |
| Current year corporation tax charge<br>for the year | -        | -                |
| Prior year tax adjustment                           | -        | -                |
|   | <u>-</u> | <u>-</u>         |
| Tax charge for the year                             | -        | -                |

Notes (continued)

Factors affecting the tax charge for the year

|  | 2021<br>£ | Restated<br>2020<br>£ |
|--|-----------|-----------------------|
| Loss on ordinary activities before tax | (97,085)  | (1,379,548)           |
| Corporation tax at 19%                 | (18,446)  | (262,114)             |
| Effects of:                            |           |                       |
| Adjustment for disallowable items      | 36,845    | 89,547                |
| Capital allowance claim                | (10,402)  | (11,596)              |
| Group relief                           | -         | 86,788                |
| Loss carried forward                   | -         | 97,375                |
| Loss brought forward used              | (7,997)   | -                     |
| Tax charge for the year                | -         | -                     |

6 Fixed assets

|                               | Fit Outs<br>£ | Computer<br>Equipment<br>£ | Furniture<br>and Fittings<br>£ | Cars<br>£ | Total<br>£ |
|-------------------------------|---------------|----------------------------|--------------------------------|-----------|------------|
| Cost at 31 March 2020         | 303,735       | 294,557                    | 132,336                        | 64,735    | 795,363    |
| Additions                     | -             | 21,317                     | -                              | -         | 21,317     |
| At 31 March 2021              | 303,735       | 315,874                    | 132,336                        | 64,735    | 816,680    |
| Depreciation at 31 March 2020 | 265,020       | 222,834                    | 105,191                        | 61,881    | 654,926    |
| Provided in year              | 19,210        | 57,417                     | 10,984                         | 2,854     | 90,465     |
| At 31 March 2021              | 284,230       | 280,251                    | 116,175                        | 64,735    | 745,391    |
| Net Book Value                |               |                            |                                |           |            |
| At 31 March 2021              | 19,505        | 35,623                     | 16,161                         | -         | 71,289     |
| At 31 March 2020              | 38,716        | 71,722                     | 27,145                         | 2,854     | 140,437    |

7 Debtors

|                                    | 2021<br>£ | Restated<br>2020<br>£ |
|------------------------------------|-----------|-----------------------|
| Trade debtors                      | 1,863,919 | 1,673,257             |
| Amounts owed by group undertakings | 1,134,790 | 491,338               |
| Other debtors                      | 375,537   | 147,466               |
| Prepayments                        | 388,182   | 598,079               |
|                                    | 3,762,428 | 2,910,140             |

Notes (continued)

**8 Creditors**

|                                    | 2021<br>£             | Restated<br>2020<br>£ |
|------------------------------------|-----------------------|-----------------------|
| Trade creditors                    | 234,131               | 287,311               |
| Amount due to group undertaking    | 1,486,704             | 508,328               |
| Amount due to parent undertaking   | 2,262,867             | 2,499,645             |
| Other creditors including taxation | 782,558               | 974,389               |
| Accruals                           | 1,586,412             | 759,081               |
|                                    | <hr/> 6,352,672 <hr/> | <hr/> 5,028,754 <hr/> |

**9 Ultimate parent undertaking and parent undertaking of larger group of which the company is a member**

The company is a subsidiary undertaking of K.F. & R. Limited, a wholly owned subsidiary of Knight Frank LLP registered in England and Wales.

The largest group in which the results of the company are consolidated is that headed by Knight Frank LLP, the members of which are the Company's ultimate controlling party, registered in England and Wales. The consolidated accounts of Knight Frank LLP are available to the public and may be obtained from Companies House. No other group accounts include the results of the company.

**10 Subsequent events**

There have been no material events subsequent to the Statement of financial position date and the date of approval of these financial statements that would have a material financial effect on the company.