

Group Strategic Report, Report of the Directors and  
Audited Consolidated Financial Statements for the Year Ended 31 December 2016  
for  
Unispace Global Limited

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for the Year Ended 31 December 2016

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Group Strategic Report  
for the Year Ended 31 December 2016

The directors present their strategic report of the company and the group for the year ended 31 December 2016.

**REVIEW OF BUSINESS**

The directors are delighted to report a successful period for the group in which new subsidiaries have been incorporated in Germany and Switzerland while a branch has been opened in the Netherlands. This is in addition to the existing presence in the UK, Ireland and France.

The group has generated £47,355,969 (2015: £35,386,406) of turnover due to excellent products and customer service. The group has generated £6,185,399 (2015: £4,430,037) of profits before tax to give satisfactory results.

At the period end the group had shareholders' funds of £8,807,526 (2015: £3,981,793) including distributable profits of £8,557,526 (2015: £3,731,7939). The directors therefore believe the group's position to be satisfactory, especially as the group's current assets exceed its current liabilities by £8,396,512 (2015: £3,760,972).

The directors believe that there is a strong foundation to build the business further and improve on the current period's results.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The directors have assessed the main risk facing the group as being increased competition from other national and international companies. These companies are able to provide similar services to those offered by the group at competitive prices, which could lead to decreasing margins. The directors believe that the quality of our products and customer service will help mitigate these risks and hope to see satisfactory trading results in the coming year.

**ON BEHALF OF THE BOARD:**

Mr A G Hazell - Director

29 September 2017

Report of the Directors  
for the Year Ended 31 December 2016

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2016.

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of business and commercial interior design. This is the activity of all members of the group.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 December 2016 was £15,000.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

Mr A G Hazell  
Mr S Parsons  
Mr D Woodcock

Other changes in directors holding office are as follows:

Mr G Woodcock - resigned 16 December 2016

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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). 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 the group and of the profit or loss of the group 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;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

Drummond Laurie Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

**ON BEHALF OF THE BOARD:**

Mr A G Hazell - Director

29 September 2017

Report of the Independent Auditors to the Members of  
Unispace Global Limited

We have audited the financial statements of Unispace Global Limited for the year ended 31 December 2016 on pages six to twenty four. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2016 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit, the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the group and the parent company and its environment, we have not identified any material misstatements in the Group Strategic Report or the Report of the Directors.

Report of the Independent Auditors to the Members of  
Unispace Global Limited

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

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

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

Ian Bilsland (Senior Statutory Auditor)  
for and on behalf of Drummond Laurie Limited  
Statutory Auditor  
Unit 5  
Gateway Business Park  
Beancross Road  
Grangemouth  
FK3 8WX

12 January 2018

Consolidated Statement of Comprehensive Income  
for the Year Ended 31 December 2016

|   | Notes | 31.12.16<br>£       | 31.12.15<br>£       |
|---|-------|---------------------|---------------------|
| <b>TURNOVER</b>   | 3     | 47,355,969          | 35,386,406          |
| Cost of sales   |       | <u>(33,102,145)</u> | <u>(26,377,718)</u> |
| <b>GROSS PROFIT</b>   |       | 14,253,824          | 9,008,688           |
| Administrative expenses   |       | <u>(8,125,039)</u>  | <u>(4,578,651)</u>  |
| <b>OPERATING PROFIT</b>   | 5     | 6,128,785           | 4,430,037           |
| Interest receivable and similar income                              |       | <u>56,614</u>       | <u>-</u>            |
| <b>PROFIT BEFORE TAXATION</b>                                       |       | 6,185,399           | 4,430,037           |
| Tax on profit   | 6     | <u>(1,344,666)</u>  | <u>(990,813)</u>    |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                                |       | 4,840,733           | 3,439,224           |
| <b>OTHER COMPREHENSIVE INCOME</b>                                   |       | <u>-</u>            | <u>-</u>            |
| <b>TOTAL COMPREHENSIVE INCOME</b>                                   |       | <u>4,840,733</u>    | <u>3,439,224</u>    |
| <b>FOR THE YEAR</b>   |       | <u>4,840,733</u>    | <u>3,439,224</u>    |
| Profit attributable to:<br>Owners of the parent                     |       | <u>4,840,733</u>    | <u>3,439,224</u>    |
| Total comprehensive income attributable to:<br>Owners of the parent |       | <u>4,840,733</u>    | <u>3,439,224</u>    |

The notes form part of these financial statements



**Consolidated Statement of Financial Position**  
**31 December 2016**

|   | Notes | 31.12.16<br>£       | 31.12.15<br>£      |
|---|-------|---------------------|--------------------|
| <b>FIXED ASSETS</b>                                   |       |                     |                    |
| Tangible assets                                       | 9     | 450,879             | 244,977            |
| Investments   | 10    | -                   | -                  |
|   |       | <u>450,879</u>      | <u>244,977</u>     |
| <b>CURRENT ASSETS</b>                                 |       |                     |                    |
| Stocks  | 11    | 68,884              | 337,666            |
| Debtors: amounts falling due within one year          | 12    | 5,562,644           | 4,680,808          |
| Debtors: amounts falling due after more than one year | 12    | 5,038,305           | -                  |
| Cash at bank  |       | <u>7,855,666</u>    | <u>7,672,431</u>   |
|   |       | 18,525,499          | 12,690,905         |
| <b>CREDITORS</b>                                      |       |                     |                    |
| Amounts falling due within one year                   | 13    | <u>(10,128,987)</u> | <u>(8,929,933)</u> |
| <b>NET CURRENT ASSETS</b>                             |       | <u>8,396,512</u>    | <u>3,760,972</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |       | 8,847,391           | 4,005,949          |
| <b>PROVISIONS FOR LIABILITIES</b>                     | 14    | <u>(39,865)</u>     | <u>(24,156)</u>    |
| <b>NET ASSETS</b>                                     |       | <u>8,807,526</u>    | <u>3,981,793</u>   |
| <b>CAPITAL AND RESERVES</b>                           |       |                     |                    |
| Called up share capital                               | 15    | 250,000             | 250,000            |
| Retained earnings                                     | 16    | <u>8,557,526</u>    | <u>3,731,793</u>   |
| <b>SHAREHOLDERS' FUNDS</b>                            |       | <u>8,807,526</u>    | <u>3,981,793</u>   |

The financial statements were approved by the Board of Directors on 29 September 2017 and were signed on its behalf by:

Mr A G Hazell - Director

Company Statement of Financial Position  
31 December 2016

|   | Notes | 31.12.16<br>£      | 31.12.15<br>£      |
|---|-------|--------------------|--------------------|
| <b>FIXED ASSETS</b>                                   |       |                    |                    |
| Tangible assets                                       | 9     | 284,294            | 238,766            |
| Investments   | 10    | <u>112,818</u>     | <u>11,737</u>      |
|   |       | <u>397,112</u>     | <u>250,503</u>     |
| <b>CURRENT ASSETS</b>                                 |       |                    |                    |
| Stocks  | 11    | 68,884             | 337,666            |
| Debtors: amounts falling due within one year          | 12    | 8,013,627          | 4,528,812          |
| Debtors: amounts falling due after more than one year | 12    | 4,309,778          | -                  |
| Cash at bank  |       | <u>3,686,793</u>   | <u>6,653,794</u>   |
|   |       | <u>16,079,082</u>  | <u>11,520,272</u>  |
| <b>CREDITORS</b>                                      |       |                    |                    |
| Amounts falling due within one year                   | 13    | <u>(7,768,523)</u> | <u>(8,007,617)</u> |
| <b>NET CURRENT ASSETS</b>                             |       | <u>8,310,559</u>   | <u>3,512,655</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |       | 8,707,671          | 3,763,158          |
| <b>PROVISIONS FOR LIABILITIES</b>                     | 14    | <u>(39,865)</u>    | <u>(24,156)</u>    |
| <b>NET ASSETS</b>                                     |       | <u>8,667,806</u>   | <u>3,739,002</u>   |
| <b>CAPITAL AND RESERVES</b>                           |       |                    |                    |
| Called up share capital                               | 15    | 250,000            | 250,000            |
| Retained earnings                                     | 16    | <u>8,417,806</u>   | <u>3,489,002</u>   |
| <b>SHAREHOLDERS' FUNDS</b>                            |       | <u>8,667,806</u>   | <u>3,739,002</u>   |
| Company's profit for the financial year               |       | <u>4,943,804</u>   | <u>3,154,040</u>   |

The notes form part of these financial statements

The financial statements were approved by the Board of Directors on 30 September 2017 and were signed on its behalf by:

Mr A G Hazell - Director

Consolidated Statement of Changes in Equity  
for the Year Ended 31 December 2016

|                                    | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Total<br>equity<br>£ |
|------------------------------------|------------------------------------|---------------------------|----------------------|
| <b>Balance at 1 January 2015</b>   | 250,000                            | 292,569                   | 542,569              |
| <b>Changes in equity</b>           |                                    |                           |                      |
| Total comprehensive income         | -                                  | 3,439,224                 | 3,439,224            |
| <b>Balance at 31 December 2015</b> | <u>250,000</u>                     | <u>3,731,793</u>          | <u>3,981,793</u>     |
| <b>Changes in equity</b>           |                                    |                           |                      |
| Dividends                          | -                                  | (15,000)                  | (15,000)             |
| Total comprehensive income         | -                                  | 4,840,733                 | 4,840,733            |
| <b>Balance at 31 December 2016</b> | <u>250,000</u>                     | <u>8,557,526</u>          | <u>8,807,526</u>     |

Company Statement of Changes in Equity  
for the Year Ended 31 December 2016

|                                    | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Total<br>equity<br>£ |
|------------------------------------|------------------------------------|---------------------------|----------------------|
| <b>Balance at 1 January 2015</b>   | 250,000                            | 334,962                   | 584,962              |
| <b>Changes in equity</b>           |                                    |                           |                      |
| Total comprehensive income         | -                                  | 3,154,040                 | 3,154,040            |
| <b>Balance at 31 December 2015</b> | <u>250,000</u>                     | <u>3,489,002</u>          | <u>3,739,002</u>     |
| <b>Changes in equity</b>           |                                    |                           |                      |
| Dividends                          | -                                  | (15,000)                  | (15,000)             |
| Total comprehensive income         | -                                  | 4,943,804                 | 4,943,804            |
| <b>Balance at 31 December 2016</b> | <u>250,000</u>                     | <u>8,417,806</u>          | <u>8,667,806</u>     |

Consolidated Statement of Cash Flows  
for the Year Ended 31 December 2016

|   | Notes | 31.12.16<br>£           | 31.12.15<br>£           |
|---|-------|-------------------------|-------------------------|
| <b>Cash flows from operating activities</b>           |       |                         |                         |
| Cash generated from operations                        | 1     | 1,695,925               | 5,582,711               |
| Tax paid  |       | <u>(1,122,334)</u>      | <u>(26,391)</u>         |
| Net cash from operating activities                    |       | <u>573,591</u>          | <u>5,556,320</u>        |
| <b>Cash flows from investing activities</b>           |       |                         |                         |
| Purchase of tangible fixed assets                     |       | (312,189)               | (125,511)               |
| Interest received                                     |       | <u>56,614</u>           | <u>-</u>                |
| Net cash from investing activities                    |       | <u>(255,575)</u>        | <u>(125,511)</u>        |
| <b>Cash flows from financing activities</b>           |       |                         |                         |
| Amount introduced by directors                        |       | -                       | 119,781                 |
| Amount withdrawn by directors                         |       | (119,781)               | -                       |
| Equity dividends paid                                 |       | <u>(15,000)</u>         | <u>-</u>                |
| Net cash from financing activities                    |       | <u>(134,781)</u>        | <u>119,781</u>          |
| <b>Increase in cash and cash equivalents</b>          |       | <u>183,235</u>          | <u>5,550,590</u>        |
| <b>Cash and cash equivalents at beginning of year</b> | 2     | 7,672,431               | 2,121,841               |
| <b>Cash and cash equivalents at end of year</b>       | 2     | <u><u>7,855,666</u></u> | <u><u>7,672,431</u></u> |

Notes to the Consolidated Statement of Cash Flows  
for the Year Ended 31 December 2016

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

|                                       | 31.12.16                | 31.12.15                |
|---------------------------------------|-------------------------|-------------------------|
|                                       | £                       | £                       |
| Profit before taxation                | 6,185,399               | 4,430,037               |
| Depreciation charges                  | 106,286                 | 267,098                 |
| Finance income                        | (56,614)                | -                       |
|                                       | <u>6,235,071</u>        | <u>4,697,135</u>        |
| Decrease/(increase) in stocks         | 268,782                 | (219,715)               |
| Increase in trade and other debtors   | (5,920,141)             | (2,839,888)             |
| Increase in trade and other creditors | <u>1,112,213</u>        | <u>3,945,179</u>        |
| <b>Cash generated from operations</b> | <u><u>1,695,925</u></u> | <u><u>5,582,711</u></u> |

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 December 2016**

|                           | 31.12.16         | 1.1.16           |
|---------------------------|------------------|------------------|
|                           | £                | £                |
| Cash and cash equivalents | <u>7,855,666</u> | <u>7,672,431</u> |

**Year ended 31 December 2015**

|                           | 31.12.15         | 1.1.15           |
|---------------------------|------------------|------------------|
|                           | £                | £                |
| Cash and cash equivalents | <u>7,672,431</u> | <u>2,121,841</u> |

Notes to the Consolidated Financial Statements  
for the Year Ended 31 December 2016

1. **STATUTORY INFORMATION**

Unispace Global Limited is a private company, limited by shares, domiciled in England, registration number 07719633. The registered office is Duke House, 6-12 Tabard Street, London, SE1 4JU.

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Basis of consolidation**

The consolidated accounts are prepared in accordance with the group's accounting principles and include the accounts of the parent company and all subsidiaries. Subsidiaries are consolidated from the date the group exercises control or influence over the company. Divested companies are included in the consolidated accounts until the date the group ceases to control or exercise influence over them. In preparing the consolidated financial statements any intra-group transactions have been eliminated.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

**Turnover**

Turnover represents net invoiced sales of goods and services in respect of interior design, excluding value added tax. Turnover on long-term contracts is recognised at the appropriate stage of completion and is assessed on a contract by contract basis.

**Tangible fixed assets and depreciation**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

|                        |                           |
|------------------------|---------------------------|
| Leasehold Improvements | - 33% on cost             |
| Fixtures and fittings  | - 15% on cost             |
| Motor vehicles         | - 25% on reducing balance |
| Office equipment       | - 33% on cost             |

Tangible fixed assets are stated at cost less depreciation. Cost represent purchase price together with any incidental costs of acquisition.

The directors have considered the residual value of all tangible fixed assets to be immaterial and therefore all tangible fixed assets are depreciated to nil value.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is represented by purchase price.



Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2016

2. **ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, 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 statement of financial position date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

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

**Cash and cash equivalents**

Cash and cash equivalents include cash at bank and in hand and highly liquid interest-bearing securities with maturities of three months or less. In the cash-flow statement, cash and cash equivalents are shown net of bank overdrafts, which are included as current borrowings in liabilities on the balance sheet.

**Provisions**

Provisions are recognised when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are discounted where the time value of money is material.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2016

2. **ACCOUNTING POLICIES - continued**

**Long term contracts**

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of work done, after provisions for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

Profit on long term contracts is recognised as the work is carried out, only if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of work carried out at the year end, by recording turnover and related costs as contract activity accordingly. Revenue derived from variations on contracts is recognised only when the variations have been accepted by the customers.

Full provision is made for losses on all contracts in the year in which they are first foreseen.

3. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

|                | 31.12.16          | 31.12.15          |
|----------------|-------------------|-------------------|
|                | £                 | £                 |
| United Kingdom | 24,769,947        | 26,488,060        |
| Europe         | 22,586,022        | 8,898,346         |
|                | <u>47,355,969</u> | <u>35,386,406</u> |

4. **EMPLOYEES AND DIRECTORS**

|                       | 31.12.16         | 31.12.15         |
|-----------------------|------------------|------------------|
|                       | £                | £                |
| Wages and salaries    | 4,641,177        | 2,559,725        |
| Social security costs | 552,459          | 358,343          |
| Other pension costs   | 10,472           | 11,694           |
|                       | <u>5,204,108</u> | <u>2,929,762</u> |

The average monthly number of employees during the year was as follows:

|           | 31.12.16  | 31.12.15  |
|-----------|-----------|-----------|
| Employees | <u>69</u> | <u>46</u> |

The average number of employees by undertakings that were proportionately consolidated during the year was 9 (2015 - 4) .

|                         | 31.12.16       | 31.12.15       |
|-------------------------|----------------|----------------|
|                         | £              | £              |
| Directors' remuneration | <u>723,369</u> | <u>389,626</u> |

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2016

4. **EMPLOYEES AND DIRECTORS - continued**

Information regarding the highest paid director is as follows:

|                | 31.12.16       | 31.12.15       |
|----------------|----------------|----------------|
|                | £              | £              |
| Emoluments etc | <u>390,000</u> | <u>127,216</u> |

5. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

|                              | 31.12.16         | 31.12.15     |
|------------------------------|------------------|--------------|
|                              | £                | £            |
| Other operating leases       | 482,677          | 315,947      |
| Depreciation - owned assets  | 106,286          | 267,098      |
| Auditors' remuneration       | 15,000           | 15,000       |
| Foreign exchange differences | <u>(590,583)</u> | <u>6,407</u> |

6. **TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

|                     | 31.12.16         | 31.12.15       |
|---------------------|------------------|----------------|
|                     | £                | £              |
| Current tax:        |                  |                |
| UK corporation tax  | 1,267,012        | 980,369        |
| Under/overprovision | (19,260)         | -              |
| European tax        | 81,205           | -              |
| Total current tax   | <u>1,328,957</u> | <u>980,369</u> |
| Deferred tax        | 15,709           | 10,444         |
| Tax on profit       | <u>1,344,666</u> | <u>990,813</u> |

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2016

6. **TAXATION - continued**

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

|  | 31.12.16<br>£    | 31.12.15<br>£    |
|--|------------------|------------------|
| Profit before tax  | <u>6,185,399</u> | <u>4,430,037</u> |
| Profit multiplied by the standard rate of corporation tax in the UK of 20 %<br>(2015 - 20.247 %) | 1,237,080        | 896,950          |
| Effects of:  |                  |                  |
| Expenses not deductible for tax purposes   | 35,053           | 13,164           |
| Capital allowances in excess of depreciation   | (9,494)          | -                |
| Depreciation in excess of capital allowances   | -                | 29,375           |
| Utilisation of tax losses  | -                | (7,338)          |
| Adjustments to tax charge in respect of previous periods   | (19,260)         | -                |
| Tax chargeable at higher rates outwith UK  | 85,578           | 48,218           |
| Deferred tax movement  | <u>15,709</u>    | <u>10,444</u>    |
| Total tax charge   | <u>1,344,666</u> | <u>990,813</u>   |

7. **INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME**

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

8. **DIVIDENDS**

|                                   | 31.12.16<br>£ | 31.12.15<br>£ |
|-----------------------------------|---------------|---------------|
| Ordinary shares shares of £1 each |               |               |
| Final                             | <u>15,000</u> | <u>-</u>      |

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2016

9. TANGIBLE FIXED ASSETS

**Group**

|                       | Leasehold<br>Improvements<br>£ | Fixtures<br>and<br>fittings<br>£ | Motor<br>vehicles<br>£ | Office<br>equipment<br>£ | Totals<br>£    |
|-----------------------|--------------------------------|----------------------------------|------------------------|--------------------------|----------------|
| <b>COST</b>           |                                |                                  |                        |                          |                |
| At 1 January 2016     | 310,764                        | 112,067                          | 24,136                 | 121,027                  | 567,994        |
| Additions             | -                              | 183,720                          | -                      | 128,469                  | 312,189        |
| At 31 December 2016   | <u>310,764</u>                 | <u>295,787</u>                   | <u>24,136</u>          | <u>249,496</u>           | <u>880,183</u> |
| <b>DEPRECIATION</b>   |                                |                                  |                        |                          |                |
| At 1 January 2016     | 207,176                        | 14,616                           | 17,743                 | 83,483                   | 323,018        |
| Charge for year       | 31,077                         | 42,890                           | 1,420                  | 30,899                   | 106,286        |
| At 31 December 2016   | <u>238,253</u>                 | <u>57,506</u>                    | <u>19,163</u>          | <u>114,382</u>           | <u>429,304</u> |
| <b>NET BOOK VALUE</b> |                                |                                  |                        |                          |                |
| At 31 December 2016   | <u>72,511</u>                  | <u>238,281</u>                   | <u>4,973</u>           | <u>135,114</u>           | <u>450,879</u> |
| At 31 December 2015   | <u>103,588</u>                 | <u>97,451</u>                    | <u>6,393</u>           | <u>37,544</u>            | <u>244,976</u> |

**Company**

|                       | Leasehold<br>Improvements<br>£ | Fixtures<br>and<br>fittings<br>£ | Motor<br>vehicles<br>£ | Office<br>equipment<br>£ | Totals<br>£    |
|-----------------------|--------------------------------|----------------------------------|------------------------|--------------------------|----------------|
| <b>COST</b>           |                                |                                  |                        |                          |                |
| At 1 January 2016     | 310,764                        | 106,311                          | 24,136                 | 119,517                  | 560,728        |
| Additions             | -                              | 7,239                            | -                      | 112,946                  | 120,185        |
| At 31 December 2016   | <u>310,764</u>                 | <u>113,550</u>                   | <u>24,136</u>          | <u>232,463</u>           | <u>680,913</u> |
| <b>DEPRECIATION</b>   |                                |                                  |                        |                          |                |
| At 1 January 2016     | 207,176                        | 13,920                           | 17,743                 | 83,123                   | 321,962        |
| Charge for year       | 31,077                         | 16,670                           | 1,420                  | 25,490                   | 74,657         |
| At 31 December 2016   | <u>238,253</u>                 | <u>30,590</u>                    | <u>19,163</u>          | <u>108,613</u>           | <u>396,619</u> |
| <b>NET BOOK VALUE</b> |                                |                                  |                        |                          |                |
| At 31 December 2016   | <u>72,511</u>                  | <u>82,960</u>                    | <u>4,973</u>           | <u>123,850</u>           | <u>284,294</u> |
| At 31 December 2015   | <u>103,588</u>                 | <u>92,391</u>                    | <u>6,393</u>           | <u>36,394</u>            | <u>238,766</u> |

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2016

10. **FIXED ASSET INVESTMENTS**

**Company**

Shares in  
group  
undertakings  
£

**COST**

At 1 January 2016

11,737

Additions

101,081

At 31 December 2016

112,818

**NET BOOK VALUE**

At 31 December 2016

112,818

At 31 December 2015

11,737

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

**Subsidiaries**

**Unispace Global France (SAS)**

Registered office: 5 Rue de Hanove, 75002 Paris

Nature of business: Business and commercial interior design

|                  |              |
|------------------|--------------|
| Class of shares: | %<br>holding |
| Ordinary         | 100.00       |

|          |          |
|----------|----------|
| 31.12.16 | 31.12.15 |
| £        | £        |

Aggregate capital and reserves

465,280      254,528

Profit for the year

210,752      285,184

**Unispace Global GmbH**

Registered office: Unter den Linden 21, 10117 Berlin, Germany

Nature of business: Business and commercial interior design

|                  |              |
|------------------|--------------|
| Class of shares: | %<br>holding |
| Ordinary         | 100.00       |

31.12.16

£

Aggregate capital and reserves

(206,007)

Loss for the year

(227,339)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2016

10. **FIXED ASSET INVESTMENTS - continued**

**Unispace Global Ltd**

Registered office: Wasserwerkstrasse 12, 80006 Zurich, Switzerland

Nature of business: Business and commercial interior design

| Class of shares:               | %<br>holding |                 |
|--------------------------------|--------------|-----------------|
| Ordinary                       | 100.00       | 31.12.16        |
|                                |              | £               |
| Aggregate capital and reserves |              | 66,807          |
| Loss for the year              |              | <u>(12,942)</u> |

11. **STOCKS**

|                                   | <b>Group</b>  |                | <b>Company</b> |                |
|-----------------------------------|---------------|----------------|----------------|----------------|
|                                   | 31.12.16      | 31.12.15       | 31.12.16       | 31.12.15       |
|                                   | £             | £              | £              | £              |
| Net costs less foreseeable losses | <u>68,884</u> | <u>337,666</u> | <u>68,884</u>  | <u>337,666</u> |

12. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|   | <b>Group</b>     |                  | <b>Company</b>   |                  |
|---|------------------|------------------|------------------|------------------|
|   | 31.12.16         | 31.12.15         | 31.12.16         | 31.12.15         |
|   | £                | £                | £                | £                |
| Trade debtors                                 | 4,794,502        | 3,784,016        | 2,584,442        | 3,078,900        |
| Amounts owed by group undertakings            | -                | -                | 4,563,364        | 607,688          |
| Amounts owed by related parties               | 57,631           | 4,614            | 55,246           | 4,614            |
| Amounts recoverable on contract               | 385,766          | 689,127          | 385,766          | 689,127          |
| Other debtors                                 | 117,697          | 111,459          | 112,993          | 111,459          |
| VAT   | 89,822           | -                | 279,741          | -                |
| Prepayments                                   | <u>117,226</u>   | <u>91,592</u>    | <u>32,075</u>    | <u>37,024</u>    |
|   | <u>5,562,644</u> | <u>4,680,808</u> | <u>8,013,627</u> | <u>4,528,812</u> |
| Amounts falling due after more than one year: |                  |                  |                  |                  |
| Amounts owed by related parties               | <u>5,038,305</u> | <u>-</u>         | <u>4,309,778</u> | <u>-</u>         |

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2016

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                 | Group             |                  | Company          |                  |
|---------------------------------|-------------------|------------------|------------------|------------------|
|                                 | 31.12.16          | 31.12.15         | 31.12.16         | 31.12.15         |
|                                 | £                 | £                | £                | £                |
| Payments on account             | 4,800             | 626,427          | 4,800            | 626,427          |
| Trade creditors                 | 3,818,809         | 3,354,661        | 2,554,200        | 2,657,716        |
| Amounts owed to related parties | 836,045           | 885,314          | 836,045          | 885,314          |
| Tax                             | 1,184,736         | 978,113          | 1,247,562        | 856,595          |
| Social security and other taxes | 494,401           | 293,940          | 413,457          | 258,316          |
| VAT                             | -                 | 237,124          | -                | 195,313          |
| Directors' current accounts     | -                 | 119,781          | -                | 119,781          |
| Accruals and deferred income    | 3,790,196         | 2,434,573        | 2,712,459        | 2,408,155        |
|                                 | <u>10,128,987</u> | <u>8,929,933</u> | <u>7,768,523</u> | <u>8,007,617</u> |

14. PROVISIONS FOR LIABILITIES

|              | Group         |               | Company       |               |
|--------------|---------------|---------------|---------------|---------------|
|              | 31.12.16      | 31.12.15      | 31.12.16      | 31.12.15      |
|              | £             | £             | £             | £             |
| Deferred tax | <u>39,865</u> | <u>24,156</u> | <u>39,865</u> | <u>24,156</u> |

Group

|   |               |
|---|---------------|
|   | Deferred tax  |
|   | £             |
| Balance at 1 January 2016                               | 24,156        |
| Credit to Statement of Comprehensive Income during year | <u>15,709</u> |
| Balance at 31 December 2016                             | <u>39,865</u> |

Company

|                             |               |
|-----------------------------|---------------|
|                             | Deferred tax  |
|                             | £             |
| Balance at 1 January 2016   | 24,156        |
| Provided during year        | <u>15,709</u> |
| Balance at 31 December 2016 | <u>39,865</u> |

15. CALLED UP SHARE CAPITAL

|                                  |                 |                |                |                |
|----------------------------------|-----------------|----------------|----------------|----------------|
| Allotted, issued and fully paid: |                 |                |                |                |
| Number:                          | Class:          | Nominal value: | 31.12.16       | 31.12.15       |
|                                  |                 |                | £              | £              |
| 250,000                          | Ordinary shares | £1             | <u>250,000</u> | <u>250,000</u> |



Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2016

16. **RESERVES**

**Group**

|                     | Retained<br>earnings<br>£ |
|---------------------|---------------------------|
| At 1 January 2016   | 3,731,793                 |
| Profit for the year | 4,840,733                 |
| Dividends           | (15,000)                  |
| At 31 December 2016 | <u>8,557,526</u>          |

**Company**

|                     | Retained<br>earnings<br>£ |
|---------------------|---------------------------|
| At 1 January 2016   | 3,489,002                 |
| Profit for the year | 4,943,804                 |
| Dividends           | (15,000)                  |
| At 31 December 2016 | <u>8,417,806</u>          |

17. **ULTIMATE PARENT COMPANY**

Unispace Global Pty Limited (incorporated in Australia ) is regarded by the directors as being the company's ultimate parent company.

18. **RELATED PARTY DISCLOSURES**

**Entities with control, joint control or significant influence over the entity**

**Unispace Global Pty Ltd**

Ultimate parent

During the year, management charges were raised by Unispace Global Pty Ltd of £586,159 (2015: £74,413).

Amounts due to related party - £651,783 (2015: £391,683).

**Other related parties**

**Unispace of North America LLC**

Common control

During the year a 2.7% interest loan was provided to Unispace of North America LLC of £5,038,305 (2015: £nil). £56,614 (2015: £nil) of loan interest has been accrued into the loan.

This loan and interest will be fully repaid by the end of December 2018.

Amounts due from related party - £5,038,305 (2015: £nil).

**Unispace Global Srl**

Common control

During the year, the company paid expenses of Unispace Global Srl totalling £3,854 (2015: £nil)..

Amounts due from related party - £3,854 (2015: £nil).

**Unispace Project B.V.**

Common control

During the year, the company paid expenses of Unispace Project B.V. totalling £46,952 (2015: £6,825).

Amounts due from related party - £53,777 (2015: £6,825).

**Unispace Properties Ltd**

Common control

Rent and recharged property costs in the year - £426,032 (2015: £396,241)

Amounts due to related party - £128,648 (2015: £328,716).

**Woodalls Business Interiors**

Mr D Woodcock is a partner

Sales in the year - £27,284 (2015: £31,819)

Purchases in the year - £64,168 (2015: £126,254).

Amounts due to related party - £13,825 (2015: £4,614 debtor).

**Woodalls Healthcare**

Mr D Woodcock is a partner

Sales in the year - £nil (2015: £2,573)

Purchases in the year - £60,529 (2015: £124,907).

Amounts due to related party - £41,789 (2015: £164,915).

19. **ULTIMATE CONTROLLING PARTY**

The controlling party is the Board of Directors.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.