

Group Strategic Report, Report of the Directors and
Audited Consolidated Financial Statements for the Year Ended 31 December 2020
for
Unispace Global Limited

Contents of the Consolidated Financial Statements
for the Year Ended 31 December 2020

| | Page |
|---|------|
| Group Strategic Report | 1 |
| Report of the Directors | 2 |
| Report of the Independent Auditors | 3 |
| Consolidated Statement of Comprehensive Income | 6 |
| Consolidated Statement of Financial Position | 8 |
| Company Statement of Financial Position | 10 |
| Consolidated Statement of Changes in Equity | 11 |
| Company Statement of Changes in Equity | 12 |
| Consolidated Statement of Cash Flows | 13 |
| Notes to the Consolidated Statement of Cash Flows | 14 |
| Notes to the Consolidated Financial Statements | 16 |

Group Strategic Report
for the Year Ended 31 December 2020

The directors present their strategic report of the company and the group for the year ended 31 December 2020.

REVIEW OF BUSINESS

The directors are delighted to report another successful period for the group. The group has generated £63,783,415 (2019: £87,808,212) of turnover in a year restricted by the Covid-19 pandemic due to excellent products and customer service. The group has generated £8,382,169 (2019: £12,380,409) of profits before tax to give satisfactory results.

At the period end the group had net assets of £28,207,519 (2019: £26,824,755) including distributable profits of £26,699,952 (2019: £25,357,132). The directors therefore believe the group's position to be satisfactory, especially as the group's current assets exceed its current liabilities by £25,718,033 (2019: £25,120,794).

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.

Another key risk facing the group is the continuing economic uncertainty within the United Kingdom and Europe, in relation to both Brexit and the Covid-19 crisis. The directors believe that there are sufficient systems and controls in place which allow for the group to react appropriately to any changes in the economic environment, whether positive or negative, and the directors hope to see satisfactory trading results in the coming year.

ON BEHALF OF THE BOARD:

Mr L A Mohiuddine - Director

27 September 2021

Report of the Directors
for the Year Ended 31 December 2020

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

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 2020 will be £5,176,313

DIRECTORS

Mr S E Quick and Mr L A Mohiuddine were appointed as directors after 31 December 2020 but prior to the date of this report.

Mr A G Hazell and Mr S Parsons ceased to be directors after 31 December 2020 but prior to the date of this report.

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;
state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in
- the financial statements;
- 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.

ON BEHALF OF THE BOARD:

Mr L A Mohiuddine - Director

27 September 2021

Opinion

We have audited the financial statements of Unispace Global Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 December 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

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, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group, we identified that the principal risks of non-compliance with laws and regulations related to fraudulent manipulation of the financial statements, including the risk of override of controls, to reduce profits and tax liabilities. We determined that the most likely method of manipulation would be the posting of inappropriate journal entries. Audit procedures performed by the audit engagement team consisted of a review of large and unusual journal entries, challenging assumptions and judgements made by management in significant accounting estimates, discussions with management related to known or suspected instances of non-compliance with laws and regulations, review of Board minutes where available, and an evaluation of management controls designed to prevent and detect irregularities.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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.

David Wheeler (Senior Statutory Auditor)
for and on behalf of Drummond Laurie CA
Statutory Auditor
Unit 5
Gateway Business Park
Beancross Road
Grangemouth
FK3 8WX

30 September 2021

Consolidated Statement of Comprehensive Income
for the Year Ended 31 December 2020

| | Notes | 31.12.20 £ | 31.12.19 as restated £ |
|--|-------|---------------------|------------------------------|
| TURNOVER | 3 | 63,783,415 | 87,808,212 |
| Cost of sales | | <u>(40,168,177)</u> | <u>(58,298,581)</u> |
| GROSS PROFIT | | 23,615,238 | 29,509,631 |
| Administrative expenses | | <u>(16,722,055)</u> | <u>(17,428,850)</u> |
| | | 6,893,183 | 12,080,781 |
| Other operating income | | <u>1,452,909</u> | <u>-</u> |
| OPERATING PROFIT | 5 | 8,346,092 | 12,080,781 |
| Interest receivable and similar income | | <u>51,470</u> | <u>302,425</u> |
| | | 8,397,562 | 12,383,206 |
| Interest payable and similar expenses | 7 | <u>(15,393)</u> | <u>(2,797)</u> |
| PROFIT BEFORE TAXATION | | 8,382,169 | 12,380,409 |
| Tax on profit | 8 | <u>(1,818,828)</u> | <u>(2,442,840)</u> |
| PROFIT FOR THE FINANCIAL YEAR | | 6,563,341 | 9,937,569 |
| OTHER COMPREHENSIVE INCOME | | <u>-</u> | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | | 9,937,569 |
| Prior year adjustment | 11 | <u>751,288</u> | |
| TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT | | <u>7,314,629</u> | |
| Profit attributable to: | | | |
| Owners of the parent | | 6,519,133 | 9,454,560 |
| Non-controlling interests | | <u>44,208</u> | <u>483,009</u> |
| | | <u>6,563,341</u> | <u>9,937,569</u> |

The notes form part of these financial statements

Consolidated Statement of Comprehensive Income
for the Year Ended 31 December 2020

| | 31.12.20 | 31.12.19 as restated |
|---|------------------|-------------------------|
| | £ | £ |
| Total comprehensive income attributable to: | | |
| Owners of the parent | 7,270,421 | 9,454,560 |
| Non-controlling interests | 44,208 | 483,009 |
| | <u>7,314,629</u> | <u>9,937,569</u> |

Consolidated Statement of Financial Position
31 December 2020

| | | 31.12.20 | 31.12.19 as restated |
|--|-------|---------------------|-------------------------|
| | Notes | £ | £ |
| FIXED ASSETS | | | |
| Tangible assets | 12 | 2,545,413 | 1,962,587 |
| Investments | 13 | - | - |
| | | <u>2,545,413</u> | <u>1,962,587</u> |
| CURRENT ASSETS | | | |
| Debtors: amounts falling due within one year | 14 | 11,083,619 | 27,879,490 |
| Cash at bank | | <u>33,929,805</u> | <u>20,760,903</u> |
| | | 45,013,424 | 48,640,393 |
| CREDITORS | | | |
| Amounts falling due within one year | 15 | <u>(19,295,391)</u> | <u>(23,519,599)</u> |
| NET CURRENT ASSETS | | <u>25,718,033</u> | <u>25,120,794</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 28,263,446 | 27,083,381 |
| CREDITORS | | | |
| Amounts falling due after more than one year | 16 | (30,400) | (24,552) |
| PROVISIONS FOR LIABILITIES | 19 | <u>(25,527)</u> | <u>(234,074)</u> |
| NET ASSETS | | <u>28,207,519</u> | <u>26,824,755</u> |

Consolidated Statement of Financial Position - continued
31 December 2020

| | | 31.12.20 | 31.12.19 as restated |
|----------------------------------|-------|--------------------------|--------------------------|
| | Notes | £ | £ |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 20 | 250,000 | 250,000 |
| Retained earnings | 21 | <u>26,699,952</u> | <u>25,357,132</u> |
| SHAREHOLDERS' FUNDS | | <u>26,949,952</u> | <u>25,607,132</u> |
| NON-CONTROLLING INTERESTS | 22 | <u>1,257,567</u> | <u>1,217,623</u> |
| TOTAL EQUITY | | <u><u>28,207,519</u></u> | <u><u>26,824,755</u></u> |

The financial statements were approved by the Board of Directors and authorised for issue on 27 September 2021 and were signed on its behalf by:

Mr L A Mohiuddine - Director

Company Statement of Financial Position
31 December 2020

| | Notes | 31.12.20 £ | 31.12.19 as restated £ |
|--|-------|---------------------|------------------------------|
| FIXED ASSETS | | | |
| Tangible assets | 12 | 1,900,753 | 1,569,966 |
| Investments | 13 | <u>122,300</u> | <u>140,350</u> |
| | | <u>2,023,053</u> | <u>1,710,316</u> |
| CURRENT ASSETS | | | |
| Debtors: amounts falling due within one year | 14 | 5,644,631 | 11,102,966 |
| Cash at bank | | <u>26,143,916</u> | <u>14,039,989</u> |
| | | 31,788,547 | 25,142,955 |
| CREDITORS | | | |
| Amounts falling due within one year | 15 | <u>(24,122,141)</u> | <u>(13,649,740)</u> |
| NET CURRENT ASSETS | | <u>7,666,406</u> | <u>11,493,215</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 9,689,459 | 13,203,531 |
| PROVISIONS FOR LIABILITIES | 19 | <u>(260,030)</u> | <u>(203,378)</u> |
| NET ASSETS | | <u>9,429,429</u> | <u>13,000,153</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 20 | 250,000 | 250,000 |
| Retained earnings | 21 | <u>9,179,429</u> | <u>12,750,153</u> |
| SHAREHOLDERS' FUNDS | | <u>9,429,429</u> | <u>13,000,153</u> |
| Company's profit for the financial year | | <u>1,605,589</u> | <u>1,645,353</u> |

The financial statements were approved by the Board of Directors and authorised for issue on 27 September 2021 and were signed on its behalf by:

Mr L A Mohiuddine - Director

Consolidated Statement of Changes in Equity
for the Year Ended 31 December 2020

| | Called up share capital £ | Retained earnings £ | Total £ | Non-controlling interests £ | Total equity £ |
|---|------------------------------------|---------------------------|-------------|-----------------------------------|----------------------|
| Balance at 1 January 2019 | 250,000 | 15,902,572 | 16,152,572 | - | 16,152,572 |
| Changes in equity | | | | | |
| Dividends | - | - | - | (531,570) | (531,570) |
| Total comprehensive income | - | 8,703,272 | 8,703,272 | 483,009 | 9,186,281 |
| | 250,000 | 24,605,844 | 24,855,844 | (48,561) | 24,807,283 |
| Acquisition of non-controlling interest | - | - | - | 1,266,184 | 1,266,184 |
| Balance at 31 December 2019 | 250,000 | 24,605,844 | 24,855,844 | 1,217,623 | 26,073,467 |
| Prior year adjustment | - | 751,288 | 751,288 | - | 751,288 |
| As restated | 250,000 | 25,357,132 | 25,607,132 | 1,217,623 | 26,824,755 |
| Changes in equity | | | | | |
| Dividends | - | (5,176,313) | (5,176,313) | - | (5,176,313) |
| Total comprehensive income | - | 6,519,133 | 6,519,133 | 44,208 | 6,563,341 |
| | 250,000 | 26,699,952 | 26,949,952 | 1,261,831 | 28,211,783 |
| Minority share buy back | - | - | - | (4,264) | (4,264) |
| Balance at 31 December 2020 | 250,000 | 26,699,952 | 26,949,952 | 1,257,567 | 28,207,519 |

Company Statement of Changes in Equity
for the Year Ended 31 December 2020

| | Called up share capital £ | Retained earnings £ | Total equity £ |
|------------------------------------|------------------------------------|---------------------------|----------------------|
| Balance at 1 January 2019 | 250,000 | 11,104,800 | 11,354,800 |
| Changes in equity | | | |
| Total comprehensive income | - | 1,645,353 | 1,645,353 |
| Balance at 31 December 2019 | 250,000 | 12,750,153 | 13,000,153 |
| Changes in equity | | | |
| Dividends | - | (5,176,313) | (5,176,313) |
| Total comprehensive income | - | 1,605,589 | 1,605,589 |
| Balance at 31 December 2020 | 250,000 | 9,179,429 | 9,429,429 |

Consolidated Statement of Cash Flows
for the Year Ended 31 December 2020

| | Notes | 31.12.20 £ | 31.12.19 as restated £ |
|---|-------|--------------------------|------------------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 19,027,753 | 16,273,610 |
| Interest paid | | (6,893) | (2,797) |
| Interest element of hire purchase payments paid | | (8,500) | - |
| Tax paid | | (907,052) | (3,310,055) |
| Net cash from operating activities | | <u>18,105,308</u> | <u>12,960,758</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (1,366,583) | (1,745,796) |
| Sale of tangible fixed assets | | 38,787 | 8,701 |
| Cash acquired on acquisition | | - | 5,022,582 |
| Interest received | | 51,470 | 302,425 |
| Net cash from investing activities | | <u>(1,276,326)</u> | <u>3,587,912</u> |
| Cash flows from financing activities | | | |
| Capital repayments in year | | (51,476) | (13,145) |
| Amount introduced by directors | | 1,571,973 | 12,500 |
| Amount withdrawn by directors | | - | (579) |
| Equity dividends paid | | (5,176,313) | - |
| Dividends paid to minority interests | | - | (531,570) |
| Share buyback of minority interest | | (4,264) | - |
| Net cash from financing activities | | <u>(3,660,080)</u> | <u>(532,794)</u> |
| Increase in cash and cash equivalents | | <u>13,168,902</u> | <u>16,015,876</u> |
| Cash and cash equivalents at beginning of year | 2 | 20,760,903 | 4,745,027 |
| Cash and cash equivalents at end of year | 2 | <u><u>33,929,805</u></u> | <u><u>20,760,903</u></u> |

The notes form part of these financial statements

Notes to the Consolidated Statement of Cash Flows
for the Year Ended 31 December 2020

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

| | 31.12.20 | 31.12.19 as restated |
|--|-------------------|-------------------------|
| | £ | £ |
| Profit before taxation | 8,382,169 | 12,380,409 |
| Depreciation charges | 806,843 | (2,246,883) |
| (Profit)/loss on disposal of fixed assets | (1,134) | 89,738 |
| Finance costs | 15,393 | 2,797 |
| Finance income | (51,470) | (302,425) |
| | 9,151,801 | 9,923,636 |
| Decrease in trade and other debtors | 15,223,898 | 717,692 |
| (Decrease)/increase in trade and other creditors | (5,347,946) | 5,632,282 |
| Cash generated from operations | 19,027,753 | 16,273,610 |

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 2020

| | 31.12.20 | 1.1.20 |
|---------------------------|------------|------------|
| | £ | £ |
| Cash and cash equivalents | 33,929,805 | 20,760,903 |

Year ended 31 December 2019

| | 31.12.19 as restated | 1.1.19 |
|---------------------------|-------------------------|-----------|
| | £ | £ |
| Cash and cash equivalents | 20,760,903 | 4,745,027 |

Notes to the Consolidated Statement of Cash Flows
for the Year Ended 31 December 2020

3. ANALYSIS OF CHANGES IN NET FUNDS

| | At 1.1.20 £ | Cash flow £ | Other non-cash changes £ | At 31.12.20 £ |
|-----------------|-------------------|-------------------|-----------------------------------|-------------------|
| Net cash | | | | |
| Cash at bank | 20,760,903 | 13,168,902 | | 33,929,805 |
| | <u>20,760,903</u> | <u>13,168,902</u> | | <u>33,929,805</u> |
| Debt | | | | |
| Finance leases | (36,337) | 51,476 | - | (45,600) |
| | <u>(36,337)</u> | <u>51,476</u> | <u>-</u> | <u>(45,600)</u> |
| Total | <u>20,724,566</u> | <u>13,220,378</u> | <u>-</u> | <u>33,884,205</u> |

Notes to the Consolidated Financial Statements
for the Year Ended 31 December 2020

1. **STATUTORY INFORMATION**

Unispace Global Limited is a private company, limited by shares, domiciled in England, registration number 07719633. The registered office is Devon House, 4th Floor, 58 St Katharine's Way, London, E1W 1JP.

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. Foreign subsidiaries are translated using the current rate for the assets and liabilities and the average rate for turnover and expenses.

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.

Significant judgements and estimates

The preparation of financial statements require the group's management to make judgements, assumptions and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The group did not have any critical judgements or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Notwithstanding this, as the group's activities are undertaken through long term construction contracts, the company is required to make estimates in accounting for turnover and margin. These estimates may depend upon the outcome of future events and may need to be revised as circumstances change. Further detail is provided in the turnover accounting policy.

2. ACCOUNTING POLICIES - continued

Turnover

Turnover represents net invoiced sales of goods and services in respect of interior design, excluding value added tax.

Turnover comprises the fair value of interior design construction carried out in the year, based on an internal assessment of work carried out. Once the outcome of a construction contract can be estimated reliably, profit is recognised in the statement of comprehensive income on a stage of contract completion basis by reference to either costs incurred to date and total forecast costs on the contract as a whole or certified value.

Losses expected in bringing a contract to completion are recognised immediately in the statement of comprehensive income as soon as they are forecast. Where the outcome of variations is uncertain, the company only recognises turnover and associated profit where it is probable that the client will approve the variation. Where the outcome of claims is uncertain, the group only recognises revenue when negotiations have reached an advanced stage such that it is probable that the customer will accept the claim.

Amounts due from construction contract customers which are included within debtors, represent turnover less progress payments received. Where progress payments exceed turnover and other contract balances, the excess is shown as amounts due to construction contract customers within current liabilities.

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 or, if held under a finance lease, over the lease term, whichever is the shorter.

| | |
|------------------------|---------------------------|
| Leasehold Improvements | - 20% on cost |
| Plant and machinery | - 20% 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.

Financial instruments

Financial assets and financial liabilities are recognised in the group's balance sheet when the company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are immediately recognised in the profit or loss.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

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.

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:

| | 31.12.20 | 31.12.19 as restated |
|----------------|-------------------|-------------------------|
| | £ | £ |
| United Kingdom | 15,465,748 | 21,896,698 |
| Europe | 48,317,667 | 65,911,514 |
| | <u>63,783,415</u> | <u>87,808,212</u> |

4. EMPLOYEES AND DIRECTORS

| | 31.12.20 | 31.12.19 as restated |
|-----------------------|-------------------|-------------------------|
| | £ | £ |
| Wages and salaries | 17,132,364 | 17,171,146 |
| Social security costs | 1,234,054 | 1,260,126 |
| Other pension costs | 117,967 | 247,008 |
| | <u>18,484,385</u> | <u>18,678,280</u> |

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

| | 31.12.20 | 31.12.19 as restated |
|-----------|------------|-------------------------|
| Employees | <u>198</u> | <u>176</u> |

The average number of employees by undertakings that were proportionately consolidated during the year was 91 (2019 - 61).

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020

4. **EMPLOYEES AND DIRECTORS - continued**

| | 31.12.20 | 31.12.19 as restated |
|--|----------|-------------------------|
| | £ | £ |
| Directors' remuneration | 776,115 | 1,193,742 |
| Directors' pension contributions to money purchase schemes | 7,965 | 3,320 |
| Compensation to director for loss of office | - | 52,269 |

Information regarding the highest paid director is as follows:

| | 31.12.20 | 31.12.19 as restated |
|---|----------|-------------------------|
| | £ | £ |
| Emoluments etc | 264,720 | 457,520 |
| Pension contributions to money purchase schemes | 876 | 1,180 |

5. **OPERATING PROFIT**

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

| | 31.12.20 | 31.12.19 as restated |
|--|-----------|-------------------------|
| | £ | £ |
| Other operating leases | 2,165,428 | 1,203,829 |
| Depreciation - owned assets | 774,730 | 287,967 |
| Depreciation - assets on hire purchase contracts | 32,113 | 21,453 |
| (Profit)/loss on disposal of fixed assets | (1,134) | 89,738 |
| Auditors' remuneration | 123,825 | 128,003 |
| Other non- audit services | 47,256 | 54,216 |
| Foreign exchange differences | (416,440) | 678,162 |

6. **EXCEPTIONAL ITEMS**

In 2019, the group acquired 67% of the share capital of Unispace Global Srl. This resulted in negative goodwill which was written off in the year of acquisition with the impact being an increase in profits of £2,556,303 in the group.

7. **INTEREST PAYABLE AND SIMILAR EXPENSES**

| | 31.12.20 | 31.12.19 as restated |
|----------------------|----------|-------------------------|
| | £ | £ |
| Interest on taxation | 6,893 | 2,797 |
| Hire purchase | 8,500 | - |
| | 15,393 | 2,797 |

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020

8. **TAXATION**

Analysis of the tax charge

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

| | 31.12.20 | 31.12.19 as restated |
|---------------------|-------------------------|-------------------------|
| | £ | £ |
| Current tax: | | |
| UK corporation tax | 354,631 | 390,876 |
| Under/overprovision | (201,900) | 76,648 |
| European tax | <u>1,874,644</u> | <u>1,779,906</u> |
| Total current tax | <u>2,027,375</u> | <u>2,247,430</u> |
| Deferred tax | <u>(208,547)</u> | <u>195,410</u> |
| Tax on profit | <u><u>1,818,828</u></u> | <u><u>2,442,840</u></u> |

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:

| | 31.12.20 | 31.12.19 as restated |
|---|-------------------------|-------------------------|
| | £ | £ |
| Profit before tax | <u>8,382,169</u> | <u>12,380,409</u> |
| Profit multiplied by the standard rate of corporation tax in the UK of 19 % (2019 - 19 %) | <u>1,592,612</u> | <u>2,352,278</u> |
| Effects of: | | |
| Expenses not deductible for tax purposes | 43,462 | 117,208 |
| Income not taxable for tax purposes | - | (485,698) |
| Capital allowances in excess of depreciation | (4,128) | (155,269) |
| Adjustments to tax charge in respect of previous periods | (201,900) | 76,648 |
| Impact of differing tax rates outwith UK | 228,710 | 342,263 |
| Deferred tax movement | (208,547) | 195,410 |
| Unutilised tax losses | <u>368,619</u> | <u>-</u> |
| Total tax charge | <u><u>1,818,828</u></u> | <u><u>2,442,840</u></u> |

9. **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.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020

10. **DIVIDENDS**

| | 31.12.20 | 31.12.19 as restated |
|-----------------------------------|------------------|-------------------------|
| | £ | £ |
| Ordinary shares shares of £1 each | | |
| Final | <u>5,176,313</u> | <u>-</u> |

11. **PRIOR YEAR ADJUSTMENT**

The accounts have been restated to incorporate the correction of a consolidation adjustment that resulted in the understatement of cash at bank and overstatement of administrative expenses. The changes have resulted in group profits available for distribution increasing after tax by £751,288.

12. **TANGIBLE FIXED ASSETS**

Group

| | Leasehold Improvements £ | Plant and machinery £ | Fixtures and fittings £ |
|---------------------------|--------------------------------|-----------------------------|----------------------------------|
| COST | | | |
| At 1 January 2020 | 1,162,704 | 14,854 | 328,791 |
| Additions | 799,030 | - | 113,956 |
| Disposals | - | (3,582) | (4,343) |
| Reclassification/transfer | (215,920) | - | 215,920 |
| At 31 December 2020 | <u>1,745,814</u> | <u>11,272</u> | <u>654,324</u> |
| DEPRECIATION | | | |
| At 1 January 2020 | - | 4,683 | 171,963 |
| Charge for year | 292,024 | 4,109 | 106,957 |
| Eliminated on disposal | - | (1,433) | (4,343) |
| At 31 December 2020 | <u>292,024</u> | <u>7,359</u> | <u>274,577</u> |
| NET BOOK VALUE | | | |
| At 31 December 2020 | <u>1,453,790</u> | <u>3,913</u> | <u>379,747</u> |
| At 31 December 2019 | <u>1,162,704</u> | <u>10,171</u> | <u>156,828</u> |

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020

12. **TANGIBLE FIXED ASSETS - continued**

Group

| | Motor vehicles £ | Office equipment £ | Totals £ |
|---------------------------|------------------------|--------------------------|------------------|
| COST | | | |
| At 1 January 2020 | 94,940 | 919,380 | 2,520,669 |
| Additions | 60,739 | 453,597 | 1,427,322 |
| Disposals | (56,725) | (160,457) | (225,107) |
| Reclassification/transfer | - | - | - |
| At 31 December 2020 | <u>98,954</u> | <u>1,212,520</u> | <u>3,722,884</u> |
| DEPRECIATION | | | |
| At 1 January 2020 | 45,439 | 335,997 | 558,082 |
| Charge for year | 44,310 | 359,443 | 806,843 |
| Eliminated on disposal | (30,481) | (151,197) | (187,454) |
| At 31 December 2020 | <u>59,268</u> | <u>544,243</u> | <u>1,177,471</u> |
| NET BOOK VALUE | | | |
| At 31 December 2020 | <u>39,686</u> | <u>668,277</u> | <u>2,545,413</u> |
| At 31 December 2019 | <u>49,501</u> | <u>583,383</u> | <u>1,962,587</u> |

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020

12. **TANGIBLE FIXED ASSETS - continued**

Group

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

| | Motor vehicles £ |
|------------------------|------------------------|
| COST | |
| At 1 January 2020 | 56,269 |
| Additions | 60,739 |
| Disposals | (49,725) |
| At 31 December 2020 | <u>67,283</u> |
| DEPRECIATION | |
| At 1 January 2020 | 20,328 |
| Charge for year | 32,113 |
| Eliminated on disposal | (23,481) |
| At 31 December 2020 | <u>28,960</u> |
| NET BOOK VALUE | |
| At 31 December 2020 | <u>38,323</u> |
| At 31 December 2019 | <u>35,941</u> |

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020

12. **TANGIBLE FIXED ASSETS - continued**

Company

| | Leasehold Improvements £ | Fixtures and fittings £ | Motor vehicles £ | Office equipment £ | Totals £ |
|---------------------------|--------------------------------|----------------------------------|------------------------|--------------------------|------------------|
| COST | | | | | |
| At 1 January 2020 | 1,162,704 | 4,300 | 31,003 | 653,559 | 1,851,566 |
| Additions | 453,858 | 108,398 | - | 424,452 | 986,708 |
| Disposals | - | (4,343) | (7,000) | (154,548) | (165,891) |
| Reclassification/transfer | (215,920) | 215,920 | - | - | - |
| At 31 December 2020 | <u>1,400,642</u> | <u>324,275</u> | <u>24,003</u> | <u>923,463</u> | <u>2,672,383</u> |
| DEPRECIATION | | | | | |
| At 1 January 2020 | - | 3,463 | 21,301 | 256,836 | 281,600 |
| Charge for year | 278,664 | 65,538 | 9,702 | 297,423 | 651,327 |
| Eliminated on disposal | - | (4,343) | (7,000) | (149,954) | (161,297) |
| At 31 December 2020 | <u>278,664</u> | <u>64,658</u> | <u>24,003</u> | <u>404,305</u> | <u>771,630</u> |
| NET BOOK VALUE | | | | | |
| At 31 December 2020 | <u>1,121,978</u> | <u>259,617</u> | <u>-</u> | <u>519,158</u> | <u>1,900,753</u> |
| At 31 December 2019 | <u>1,162,704</u> | <u>837</u> | <u>9,702</u> | <u>396,723</u> | <u>1,569,966</u> |

13. **FIXED ASSET INVESTMENTS**

Company

| | Shares in group undertakings £ |
|-----------------------|---|
| COST | |
| At 1 January 2020 | 140,350 |
| Disposals | (16,598) |
| Impairments | (1,452) |
| At 31 December 2020 | <u>122,300</u> |
| NET BOOK VALUE | |
| At 31 December 2020 | <u>122,300</u> |
| At 31 December 2019 | <u>140,350</u> |

13. **FIXED ASSET INVESTMENTS - continued**

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: | holding |
| Ordinary | 100.00 |

Unispace Global GmbH

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

Nature of business: Business and commercial interior design

| | |
|------------------|---------|
| | % |
| Class of shares: | holding |
| Ordinary | 100.00 |

Unispace Global Ltd

Registered office: Wasserwerkstrasse 12, 80006 Zurich, Switzerland

Nature of business: Business and commercial interior design

| | |
|------------------|---------|
| | % |
| Class of shares: | holding |
| Ordinary | 100.00 |

Unispace B.V.

Registered office: Teleport Towers, Kingsfordweg 151, 1043GR Amsterdam, Netherlands

Nature of business: Business and commercial interior design

| | |
|------------------|---------|
| | % |
| Class of shares: | holding |
| Ordinary | 100.00 |

Unispace Global SL

Registered office: Calle Manzanares 4, 28005 Madrid, Spain

Nature of business: Business and commercial interior design

| | |
|------------------|---------|
| | % |
| Class of shares: | holding |
| Ordinary | 100.00 |

Unispace Global ApS

Registered office: Flaesketoer 68, 1711 Copenhagen V, Denmark

Nature of business: Business and commercial interior design

| | |
|------------------|---------|
| | % |
| Class of shares: | holding |
| Ordinary | 100.00 |

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020

13. **FIXED ASSET INVESTMENTS - continued**

Unispace Global Srl

Registered office: Via Fieno, 3, 20123 Milan, Italy

Nature of business: Business and commercial interior design

| | |
|------------------|------------------|
| Class of shares: | % |
| Ordinary | holding 67.00 |

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

| | Group | | Company | |
|------------------------------------|-------------------|-------------------------|------------------|-------------------------|
| | 31.12.20 | 31.12.19 as restated | 31.12.20 | 31.12.19 as restated |
| | £ | £ | £ | £ |
| Trade debtors | 7,591,608 | 21,451,406 | 3,502,384 | 5,120,097 |
| Amounts owed by group undertakings | - | - | 920,944 | 853,011 |
| Amounts owed by related parties | 1,081,538 | 810,120 | 4,203 | - |
| Amounts recoverable on contract | 1,120,287 | 3,093,526 | 276,640 | 2,247,261 |
| Other debtors | 9,311 | 75,639 | - | 12,500 |
| Directors' current accounts | - | 1,571,973 | - | 1,571,973 |
| Tax | 514,765 | 514,765 | 514,765 | 514,765 |
| VAT | - | - | - | 571,537 |
| Prepayments | 766,110 | 362,061 | 425,695 | 211,822 |
| | <u>11,083,619</u> | <u>27,879,490</u> | <u>5,644,631</u> | <u>11,102,966</u> |

15. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | Group | | Company | |
|---------------------------------------|-------------------|-------------------------|-------------------|-------------------------|
| | 31.12.20 | 31.12.19 as restated | 31.12.20 | 31.12.19 as restated |
| | £ | £ | £ | £ |
| Hire purchase contracts (see note 17) | 15,200 | 11,785 | - | - |
| Amounts payable on contract | 2,524,803 | 7,622,085 | 1,282,427 | 1,895,388 |
| Trade creditors | 3,180,907 | 6,113,576 | 776,691 | 2,665,349 |
| Amounts owed to group undertakings | - | - | 13,596,257 | 4,466,630 |
| Amounts owed to related parties | 4,716,090 | 71,861 | 4,789,062 | 226,742 |
| Tax | 1,493,113 | 372,790 | 236,278 | 45,740 |
| Social security and other taxes | 554,046 | 641,781 | 362,066 | 355,456 |
| VAT | 882,179 | 1,213,120 | 230,398 | - |
| Accruals and deferred income | 5,929,053 | 7,472,601 | 2,848,962 | 3,994,435 |
| | <u>19,295,391</u> | <u>23,519,599</u> | <u>24,122,141</u> | <u>13,649,740</u> |

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Group | |
|---------------------------------------|---------------|-------------------------|
| | 31.12.20 | 31.12.19 as restated |
| | £ | £ |
| Hire purchase contracts (see note 17) | <u>30,400</u> | <u>24,552</u> |

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

| | Hire purchase contracts | |
|----------------------------|--------------------------------|-------------------------|
| | 31.12.20 | 31.12.19 as restated |
| | £ | £ |
| Net obligations repayable: | | |
| Within one year | 15,200 | 11,785 |
| Between one and five years | <u>30,400</u> | <u>24,552</u> |
| | <u>45,600</u> | <u>36,337</u> |

Group

| | Non-cancellable operating leases | |
|----------------------------|---|-------------------------|
| | 31.12.20 | 31.12.19 as restated |
| | £ | £ |
| Within one year | 888,250 | 888,250 |
| Between one and five years | <u>2,368,667</u> | <u>3,256,917</u> |
| | <u>3,256,917</u> | <u>4,145,167</u> |

Company

| | Non-cancellable operating leases | |
|----------------------------|---|-------------------------|
| | 31.12.20 | 31.12.19 as restated |
| | £ | £ |
| Within one year | 888,250 | 888,250 |
| Between one and five years | <u>2,368,667</u> | <u>3,256,917</u> |
| | <u>3,256,917</u> | <u>4,145,167</u> |

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020

18. **SECURED DEBTS**

The following secured debts are included within creditors:

| | Group | |
|-------------------------|---------------|-------------------------|
| | 31.12.20 | 31.12.19 as restated |
| | £ | £ |
| Hire purchase contracts | <u>45,600</u> | <u>36,337</u> |

Hire purchase contracts are secured on the assets to which they relate.

19. **PROVISIONS FOR LIABILITIES**

| | Group | | Company | |
|-----------------------------|---------------|-------------------------|----------------|-------------------------|
| | 31.12.20 | 31.12.19 as restated | 31.12.20 | 31.12.19 as restated |
| | £ | £ | £ | £ |
| Deferred tax | <u>25,527</u> | <u>234,074</u> | <u>260,030</u> | <u>203,378</u> |
| Group | | | | |
| | | | | Deferred tax |
| | | | | £ |
| Balance at 1 January 2020 | | | | 234,074 |
| Provided during year | | | | <u>(208,547)</u> |
| Balance at 31 December 2020 | | | | <u>25,527</u> |
| Company | | | | |
| | | | | Deferred tax |
| | | | | £ |
| Balance at 1 January 2020 | | | | 203,378 |
| Provided during year | | | | <u>56,652</u> |
| Balance at 31 December 2020 | | | | <u>260,030</u> |

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020

20. **CALLED UP SHARE CAPITAL**

| Allotted, issued and fully paid: Number: | Class: | Nominal value: | 31.12.20 | 31.12.19 as restated |
|---|-----------------|-------------------|----------------|-------------------------|
| | | | £ | £ |
| 250,000 | Ordinary shares | £1 | <u>250,000</u> | <u>250,000</u> |

21. **RESERVES**

Group

| | |
|-----------------------|---------------------------|
| | Retained earnings £ |
| At 1 January 2020 | 24,605,844 |
| Prior year adjustment | <u>751,288</u> |
| | 25,357,132 |
| Profit for the year | 6,519,133 |
| Dividends | <u>(5,176,313)</u> |
| At 31 December 2020 | <u>26,699,952</u> |

Company

| | |
|---------------------|---------------------------|
| | Retained earnings £ |
| At 1 January 2020 | 12,750,153 |
| Profit for the year | 1,605,589 |
| Dividends | <u>(5,176,313)</u> |
| At 31 December 2020 | <u>9,179,429</u> |

22. **NON-CONTROLLING INTERESTS**

Non-controlling interests hold a 33% shareholding in Italian subsidiary Unispace Global Srl. The summarised financial information of this company is as follows:

Turnover - £4,323,149 (2019: £12,334,736)
Profit after tax - £151,126 (2019: £1,463,663)
Net assets - £4,905,706 (2019: £4,773,081)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2020

23. **ULTIMATE PARENT COMPANY**

PAG Asia III LP (incorporated in Cayman Islands) is regarded by the directors as being the company's ultimate parent company.

The registered office of the ultimate parent is c/o International Corporation Services Ltd, PO Box 472, Harbour Place, 2nd Floor, 103 South Church Street, George Town, Grand Cayman, Cayman Islands, KY1-1106.

On 2 March 2021, the Unispace Group was acquired by the PAGAC group. Prior to this the ultimate parent company of Unispace Global Limited was Unispace Global Pty Ltd based in Australia.

24. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 31 December 2020 and 31 December 2019:

| | 31.12.20 | 31.12.19 as restated |
|--------------------------------------|-------------|-------------------------|
| | £ | £ |
| Mr A G Hazell | | |
| Balance outstanding at start of year | 1,552,894 | 1,552,894 |
| Amounts repaid | (1,552,894) | - |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>-</u> | <u>1,552,894</u> |
| Mr S Parsons | | |
| Balance outstanding at start of year | 19,079 | 18,500 |
| Amounts advanced | - | 579 |
| Amounts repaid | (19,079) | - |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>-</u> | <u>19,079</u> |
| Mr D Woodcock | | |
| Balance outstanding at start of year | - | 12,500 |
| Amounts repaid | - | (12,500) |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>-</u> | <u>-</u> |

25. **RELATED PARTY DISCLOSURES**

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

Unispace Global Pty Ltd

Ultimate parent to 2 March 2021

During the year, management charges were raised by Unispace Global Pty Ltd of £3,089,849 (2019: £2,500,000).

Amounts due to related party - £95,390 (2019: £69,590).

Other related parties

Unispace of North America LLC

Common control

During the year funds were drawn down by Unispace of North America LLC giving a year-end 2.7% interest bearing loan balance of £1,077,449 (2019: £810,120).

£62,364 (2019: £129,364) of loan interest has been accrued into the loan.

£241,866 of recharges were raised to Unispace Global Ltd in the year (2019: £nil).

Sante Trading Co Limited

Common control

Due to the Covid19 pandemic, assistance was provided to this company through the use of bank accounts and finance systems in the first half of the year.

During the year, management charges were raised to Sante Trading Co Limited of £1,213,125 (2019: £nil).

Amount due to related party - £4,620,700 (2019: £nil)

26. **ULTIMATE CONTROLLING PARTY**

The controlling party is the Board of Directors of Unispace Global Pty Ltd, part of the PAGAC Group.

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.