

Company Registration No. 08658635 (England and Wales)

SERA GLOBAL REAL ESTATE GROUP UK LIMITED
(FORMERLY KNOWN AS BFIN REAL ESTATE (LONDON) LIMITED)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

COMPANY INFORMATION

Directors

Mr Markus Reule
Mr Damien Smith (Appointed 26 November 2020)
Mr Anil Mangla (Appointed 8 April 2021)
Mr Heinrich Hauss (Resigned 26 November 2020)

Company number

08658635

Registered office

85 King William Street
7th Floor
London
United Kingdom
EC4N 7BL

Auditor

Grant Thornton UK LLP
30 Finsbury Square
London
EC2A 1AG

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Directors' responsibilities statement	3
Independent auditor's report	4 - 7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11 - 19

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their annual report and the audited financial statements of Sera Global Real Estate Group UK Limited (the "Company") for the year ended 31 December 2020. The directors' report has been prepared in accordance with the special provisions relating to small companies under s415A of the Companies Act 2006 and therefore the Company is taking the exemption from preparing a strategic report.

Principal activities

The principal activity of the Company during the year was to provide real estate brokerage services.

The name of the Company was changed from BFIN Financial Real Estate Limited to Sera Global Real Estate Group UK Limited on 5 January 2021.

Review of the business

The results for the Company are set out on page 8. The Company had net liabilities of £366,602 as at 31 December 2020 (2019: £358,236).

No ordinary dividends were paid during the year. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr Markus Reule	
Mr Heinrich Hauss	(Resigned 26 November 2020)
Mr Damien Smith	(Appointed 26 November 2020)
Mr Anil Mangla	(Appointed 8 April 2021)

None of the directors who held office at the end of the year and up to the date of this report held any disclosable interest in group undertakings as recorded in the register of directors' interests.

Indication of future developments

The Directors expect for the business to continue operations providing real estate brokerage services, with no significant future developments predicted in the business. The company currently has an office in the UK and will continue to be supported by the parent organisation.

Post reporting date events

The directors do not consider any post balance sheet events to exist at the date of signing the financial statements.

Going concern

The financial statements have been prepared on a going concern basis which the directors believe to be appropriate. Based on the Company's liquidity available both internally and from its indirect parent company, the directors have formed a judgement, at the time of signing the financial statements, that the Company has adequate resources available to continue in operational existence for the foreseeable future. The directors acknowledge the risk to the Company in connection with the global economic uncertainty driven by COVID-19, the directors expect the Company to have a sufficient amount of liquid assets to appropriately mitigate this risk. Additional liquidity is available to the Company from Sera Global International Holdings Inc., the Company's indirect parent company, which has committed ongoing financial support to the Company.

Auditor

Grant Thornton UK LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of disclosure to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

ANIL MANGLA

Mr Anil Mangla

Director

14 May 2021

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with FRS 101 'Reduced Disclosure Framework'. 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

To the best of our knowledge:

- the financial statements, prepared in accordance, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company; and
- the Directors' Report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that they face.

On behalf of the board

ANIL MANGLA

Mr Anil Mangla

Director

14 May 2021

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SERA GLOBAL REAL ESTATE GROUP UK LIMITED

Opinion

We have audited the financial statements of Sera Global Real Estate Group UK Limited (the 'company') for the year ended 31 December 2020, which statement of comprehensive income, statement of financial position, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

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 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.

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.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SERA GLOBAL REAL ESTATE GROUP UK LIMITED

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SERA GLOBAL REAL ESTATE GROUP UK LIMITED

Auditor's responsibilities for the audit of the financial statements

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (Financial Reporting Standard 101 and the Companies Act 2006);
- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Chief Compliance Officer of the entity, and from inspection of the compliance meeting minutes and legal correspondence;
- We have assessed compliance with laws and regulations throughout the engagement, including review of relevant transactions and related accounts;
- The engagement partner has assessed that the audit team collectively had the appropriate competences and capabilities to identify and recognize non-compliance with laws and regulations. The engagement partner considered the engagement team's understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation, knowledge of the industry in which the client operates;
- There were no matters relating to non-compliance with laws and regulation or relating to fraud that were communicated to the audit team; and
- In assessing the potential risks of material misstatement, we obtained an understanding of the entity's operations, including the nature of its activities and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SERA GLOBAL REAL ESTATE GROUP UK LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

GRANT THORNTON UK LLP

William Pointon

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London

Date: 14 May 2021

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Administrative expenses		(8,441)	(95,744)
Other gains and losses		75	390
Loss before taxation		(8,366)	(95,354)
Tax on loss	6	-	-
Loss and total comprehensive income for the financial year		(8,366)	(95,354)

All results are continuing operations.

There were no items of other comprehensive income or expense other than the loss for the current and preceding years and consequently no separate statement of other comprehensive income is presented.

The statement of comprehensive income should be read in conjunction with the notes to the financial statements on pages 11 to 19.

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	2019 £
Current assets			
Trade and other receivables	7	2,557	3,952
Cash and cash equivalents		83,639	101,863
		<u>86,196</u>	<u>105,815</u>
Current liabilities			
Trade and other payables	8	(452,798)	(464,051)
		<u>(366,602)</u>	<u>(358,236)</u>
Net current liabilities		<u>(366,602)</u>	<u>(358,236)</u>
Total assets less current liabilities		<u>(366,602)</u>	<u>(358,236)</u>
Net liabilities		<u>(366,602)</u>	<u>(358,236)</u>
Equity			
Called up share capital	9	2	2
Share premium account	10	249,999	249,999
Retained earnings		(616,603)	(608,237)
Total equity		<u>(366,602)</u>	<u>(358,236)</u>

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The financial statements were approved by the board of directors and authorised for issue on 14 May 2021 and are signed on its behalf by:

ANIL MANGLA

Mr Anil Mangla
Director

The statement of financial position should be read in conjunction with the notes to the financial statements on pages 11 to 19.

Company Registration No. 08658635

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital	Share premium account	Retained earnings	Total
	£	£	£	£
Balance at 1 January 2019	2	249,999	(512,883)	(262,882)
Year ended 31 December 2019:				
Loss and total comprehensive income for the year	-	-	(95,354)	(95,354)
Balance at 31 December 2019	2	249,999	(608,237)	(358,236)
Year ended 31 December 2020:				
Loss and total comprehensive income for the year	-	-	(8,366)	(8,366)
Balance at 31 December 2020	2	249,999	(616,603)	(366,602)

The statement of changes in equity should be read in conjunction with the notes to the financial statements on pages 11 to 19.

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Sera Global Real Estate Group UK Limited ("the Company") provides real estate brokerage services. The Company is a limited liability company, limited by shares, incorporated in England and Wales and domiciled in the United Kingdom. The address of the registered office is 85 King William Street, London, EC4N 7BL.

1.1 Accounting convention

The company meets the definition of a qualifying entity under FRS 101, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Brookfield Asset Management Inc. in which the entity is consolidated;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share based payments, financial instruments, capital management, presentation of a cash flow statement, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets, business combinations, discontinued operations and related party transactions.

Where required, equivalent disclosures are given in the group accounts of Brookfield Asset Management Inc. The group accounts of Brookfield Asset Management Inc. are available to the public and can be obtained as set out in note 12.

1.2 Going concern

The financial statements have been prepared on a going concern basis which the directors believe to be appropriate. Based on the Company's liquidity available both internally and from its indirect parent company, the directors have formed a judgement, at the time of signing the financial statements, that the Company has adequate resources available to continue in operational existence for the foreseeable future. The directors acknowledge the risk to the Company in connection with the global economic uncertainty driven by COVID-19, the directors expect the Company to have a sufficient amount of liquid assets to appropriately mitigate this risk. Additional liquidity is available to the Company from Sera Global International Holdings Inc., the Company's indirect parent company, which has committed ongoing financial support to the Company.

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.3 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.4 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables.' Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial assets at fair value through profit or loss

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of a provision. When a trade receivable is considered uncollectable, it is written off against the provision. Subsequent recoveries of amounts previously written off are credited against the provision. Changes in the carrying amount of the provision are recognised in profit or loss.

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

1.5 Taxation

Current tax, including UK corporation tax and foreign tax is, is provided for amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in years different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Exchange differences are recognised in statement of total comprehensive income in the year in which they arise.

1.6 Foreign exchange

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences are recognised in the statement of total comprehensive income in the year in which they arise.

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Adoption of new and revised standards and changes in accounting policies

In the current year, the following new and revised Standards and Interpretations have been adopted by the Company. None of these new and revised Standards and Interpretations had an effect on the current period or a prior period but may have an effect on future periods:

		Effective from:
Conceptual Framework	Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020
IAS 1 and IAS 8 (Amendments)	Definition of material	1 January 2020
IFRS 9, IAS 39 and IFRS 7 (Amendments)	Interest Rate Benchmark Reform	1 January 2020
IFRS 3 (Amendments)	Definition of a business	1 January 2020
IFRS 16 (Amendments)	Covid-19-related Rent Concessions	1 June 2020

The directors do not expect that the adoption of the other Standards listed above will have a material impact on the financial statements of the Company aside from additional disclosures.

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Adoption of new and revised standards and changes in accounting policies

(Continued)

Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations, which have not yet been applied in these financial statements, were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 17	Insurance Contracts	Effective from: 1 January 2023
IFRS 4 (Amendments)	Insurance Contracts	1 January 2023
IAS 1 (Amendments)	Classification of Liabilities as Current or Non-Current	1 January 2023
IAS 16 (Amendments)	Property plant and equipment - proceeds before intended use	1 January 2022
Annual Improvements 2018-2020 Cycle	Amendments to IFRS 1 (subsidiary as a first-time adopter), IFRS 9 (fees in the '10 percent' test for derecognition of financial liabilities), IFRS 16 (lease incentives), IAS 41 (taxation in the fair value measurements)	1 January 2022
IFRS 3 (Amendments)	References to the Conceptual Framework	1 January 2022
IAS 37 (Amendments)	Onerous contracts - Cost of Fulfilling a Contract	1 January 2022
IFRS 4 (Amendments)	Extension of the Temporary Exemption from Applying IFRS 9	1 January 2023

The directors do not expect that the adoption of the other Standards listed above will have a material impact on the financial statements of the Company aside from additional disclosures.

3 Critical accounting estimates and judgements

The preparation of the financial report in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. However, management do not consider there to be any critical estimates and judgements pertinent to the preparation of these financial statements.

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Auditor's remuneration

In the current year, audit and non-audit fees are paid and disclosed within Sera Global Securities UK LP. The audit fee applicable to Sera Global Real Estate Group UK Limited is £8,000.

5 Employees

The average monthly number of persons employed by the Company during the year was nil (2019: nil). No directors received remuneration for their service as Directors to this Company in the year ended 31 December 2020 (2019: nil).

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	-	24,938
Social security costs	-	11,989
Other pension costs	-	1,743
	<u>-</u>	<u>38,670</u>

6 Income tax expense

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	-	-
	<u>-</u>	<u>-</u>

The charge for the year can be reconciled to the loss per the income statement as follows:

	2020 £	2019 £
Loss before taxation	(8,366)	(95,354)
Expected tax credit based on a corporation tax rate of 19.00% (2019: 19.00%)	(1,590)	(18,117)
Effect of change in UK corporation tax rate	-	6,863
Transfer pricing adjustments	(4,302)	(3,748)
Deferred tax not recognised	12,754	19,563
Remeasurement of deferred tax for changes in tax rates	(6,862)	(4,561)
Taxation charge for the year	<u>-</u>	<u>-</u>

The deferred tax asset relates to tax losses, and due to the uncertainty of these being utilised in the near future, deferred tax asset has been reduced by £12,754 (2019: £19,563).

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Trade and other receivables

	2020	2019
	£	£
Amounts falling due within one year:		
Trade receivables	2,556	2,556
VAT recoverable	-	1,395
Amounts owed by related parties	1	1
	<u>2,557</u>	<u>3,952</u>

The carrying amount of these assets approximates to their fair value. Amounts receivable from related parties are unsecured, non-interest bearing and repayable on demand.

8 Trade and other payables

	Current 2020	2019
	£	£
Amounts owed to related parties	452,798	457,095
Accruals and deferred income	-	6,956
	<u>452,798</u>	<u>464,051</u>

The carrying amount of these liabilities approximates to their fair value. Amounts payable to related parties are unsecured, non-interest bearing and repayable on demand.

9 Share capital

	2020	2019
	£	£
Ordinary share capital		
Authorised:		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>
Allotted, called up and fully paid:		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

During the current year, the Company did not pay a dividend to shareholders (2019: £nil).

10 Share premium account

	2020	2019
	£	£
At 1 January and 31 December 2020	<u>249,999</u>	<u>249,999</u>

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Financial instruments

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

	Current 2020 £	Current 2019 £
Financial assets:		
Cash	83,639	101,863
Trade and other receivables	2,557	3,952
	<u>86,196</u>	<u>105,815</u>
Financial liabilities:		
Trade and other payables	(452,798)	(464,051)
	<u>(452,798)</u>	<u>(464,051)</u>

Capital risk management

The capital structure of the Company is managed by Brookfield Asset Management Inc. Treasury. Brookfield Asset Management Inc. manages its capital to ensure that entities in the group will be able to continue as a going concern.

Externally imposed capital requirement

The Company is not subject to externally imposed capital requirements.

Financial risk management objectives

The Company is ultimately controlled by the Brookfield Asset Management Inc. The Group seeks to minimise the effects of floating interest rate risk by using derivative financial instruments to hedge these risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on interest rate risk and the use of financial derivatives. Compliance with policies is reviewed by the internal auditor on a quarterly basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Foreign exchange risk

The Company is not directly exposed to foreign exchange movements.

Credit risk management

Credit risk refers to the risk that a customer will default on its contractual obligations resulting in financial loss to the Company. The Company only transacts with entities that are rated the equivalent to investment grade and above. This information is supplied by independent rating agencies where available and if not available the Company uses other publicly available financial information and its own trading records to assess its major customers.

Liquidity risk management

The liquidity of the Company is managed by Group Treasury as part of the overall Group position. The Group managed its liquidity to ensure that entities in the Group have access to funds as required.

Expected credit losses

The company had no trade receivables or contract assets at 31 December 2020 therefore no expected credit losses are recognised.

SERA GLOBAL REAL ESTATE GROUP UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Controlling party

At the balance sheet date, the immediate parent company was Sera Global Europe Holdings Limited, whose registered office is Level 25, 1 Canada Square, London, E14 5AA. The ultimate parent and ultimate controlling party is Brookfield Asset Management Inc. a company incorporated in Canada.

The company has taken exemption of preparing consolidated accounts under paragraph 4 of IFRS 10.

The largest and smallest group in which the results of the Company are consolidated is that headed by Brookfield Asset Management Inc. incorporated in Canada. The consolidated financial statements of Brookfield Asset Inc. are available to the public and may be obtained from Brookfield Place, Suite 300, 181 Bay Street, Toronto, ON M5J 2T3.

13 Related Party Transactions

Under FRS 101, the company is exempt from disclosing related party transactions with fellow group undertakings, as 100% of the voting rights are controlled by the ultimate parent undertaking, Brookfield Asset Management Inc.

14 Post balance sheet events

The directors do not consider any post balance sheet events to exist at the date of signing the financial statements.

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.