
ATHENA INFINITE SPIRIT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



ATHENA INFINITE SPIRIT LIMITED

COMPANY INFORMATION

Directors	N J Plummer P E Hunt A Seear R J McFarland A J Hayward (appointed 23 July 2020) J Wakeham (appointed 23 July 2020) R C Nunes (appointed 11 December 2019)
Registered number	11555770
Registered office	25 Moorgate London EC2R 6AY
Independent auditors	Nexia Smith & Williamson Statutory Auditor & Chartered Accountants 25 Moorgate London EC2R 6AY

ATHENA INFINITE SPIRIT LIMITED

CONTENTS

	Page
Group strategic report	1 - 2
Directors' report	3 - 5
Directors' responsibilities statement	6
Independent auditors' report	7 - 9
Consolidated statement of comprehensive income	10
Consolidated balance sheet	11 - 12
Company balance sheet	13
Consolidated statement of changes in equity	14
Company statement of changes in equity	15
Consolidated Statement of cash flows	16 - 17
Analysis of net debt	17
Notes to the financial statements	18 - 39

ATHENA INFINITE SPIRIT LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Introduction

The directors present the Group Strategic Report and financial statements for Athena Infinite Spirit Limited for the year ended 31 December 2019.

Business review and principal activities

Athena Infinite Spirit Limited was incorporated on 6 September 2018. On 2 July 2019, the Company issued ordinary shares as consideration for the acquisition of the entire share capital of K2 Group Moving Systems Limited. As this transaction constitutes a group reconstruction it has been accounted for using merger accounting principles. The consolidated financial statements of Athena Infinite Spirit Limited are therefore presented as if the new parent company has always been part of the group.

The principal activity of the Group in the year under review was that of a relocation management firm with a global network of businesses in 17 locations across 8 countries. The Group is renowned worldwide in the corporate mobility sector as the leading provider of service excellence through our global teams of experts and technology platforms.

The Board of Directors are pleased to report the period ending 31 December 2019 has delivered total revenues of £18.8m (2018: £14.4m) with a pre-tax profit of £1.6m (2018: £0.3m) and net return 8.7% (2018: 2.1%). The Balance Sheet also continued to strengthen with cash reserves of £2.5m (2018: £1.9m) and a tangible net worth of £4.4m (2018: £2.9m) providing the Group with high levels of liquidity for both daily operations and future investments.

A major milestone for the Group was the launch of new technology systems with the release of the latest module of our proprietary CRM system Ascent and transitioning our accounting software to the Sage enterprise management system X3. Other initiatives and investments for 2019 included launching the new K2 brand identity with a global marketing campaign which was aligned with the release of the new K2 website, and commencing the process to open a branch office in Paris to further increase the Group's global footprint into mainland Europe in preparation for onboarding three new European based accounts and Brexit in 2021.

During the year ended 31 December 2019 the Group renewed all contracts with blue-ribbon clients and continued its proud tradition of retaining clients based on service delivery excellence. We have also seen an increase in client volume through our bespoke relocation service line and significant growth in our global immigration. The Board can report that our sustained investment in people, technology and customer service has resulted in revenue growth through both existing and new clients seeking the K2 service delivery model.

The Group's technology strategy to develop innovative client solutions is aligned with our inclusion in the HMRC Research & Development tax credit programme. This business model enables the Group to continue our long-term vision of sustainably investing in technology to help maintain our market-leading position of efficiency, connectivity and world class service delivery.

The Group retained all its ISO accreditations and continues to enhance and develop our compliance infrastructure and practices both in the UK and worldwide across all the global K2 offices and territories ensuring we meet and exceed regulatory standards in every K2 location.

ATHENA INFINITE SPIRIT LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Principal risks and uncertainties

The Group is exposed to several financial risks, and the directors continually review and assess actions for managing each of these risks.

Currency risk

The Group is exposed to transaction foreign exchange risk, which is mitigated by natural hedging using currency bank accounts. As the Group expands its international reach and client base, currency risk will be continually monitored with the development of risk strategies as required.

Interest rate risk

The Group finances its operations predominantly through retained profits and existing cash reserves, however also uses debt finance when required. As a result, from time to time the Group is exposed to interest rate risk, however not on a material scale.

Credit risk

The main financial assets of the Group are cash and trade debtors. The credit risk associated with cash is limited as the banking counterparties have high credit ratings from the main global credit rating agencies. The principal credit risk arises from trade debtors, which are monitored weekly for total debt levels and debt ageing.

Liquidity and cashflow risk

The Group manages financial risk by ensuring sufficient liquidity is available to satisfy future requirements.

The Group maintains a broad and diverse portfolio of clients, but the business still carries an element of risk if it were to lose key client accounts. As such, the Group is continually evolving to ensure it consistently delivers service excellence to all clients.

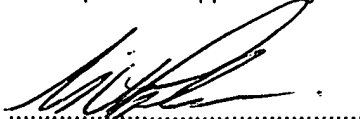
The Group monitors its levels of working capital to ensure that it can meet its debt repayments as they fall due.

Financial and other key performance indicators

The main financial KPI's of the Group are Revenues, Gross Profit, Net Profit and Cash Liquidity. Group revenue of £18.8m showed an increase of £4.5m (31%) on 2018. This growth was driven by new client wins in the second half of the year. Gross Profit increased to £6.5m (2018: £4.9m) and Net Profit after Tax increased to £1.7m (2018: £0.8m). The increase was driven by the Group's success in renewing contracts with existing clients together with new client wins. At the year end, the Group had cash at bank and in hand of £2.5m (2018: £1.9m).

Led by our Compliance, Human Resource and Executive Leadership teams the Group employs several internal audits, KPI's & external ISO 27001 standards to measure and improve operational performance. Examples of core metrics employed by the Group are Customer Satisfaction; Client Services Efficiency; Client Cost Savings; Vendor Performance; and Invoicing Accuracy and Timeliness. Management consider the Group is performing extremely well against these indicators.

This report was approved by the board and signed on its behalf.



N J Plummer
Director

Date: 21/12/2020

ATHENA INFINITE SPIRIT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Results and dividends

The profit for the year, after taxation and minority interests, amounted to £1,651,165 (2018 - £830,300).

During the year the directors declared and settled an interim dividend of £300,060 (2018: £Nil). The directors do not recommend the payment of a final dividend (2018: £Nil).

Directors

The directors who served during the year were:

N J Plummer
P E Hunt
A Seear
N J Riley (resigned 16 April 2020)
R J McFarland
S P Bailey (resigned 13 January 2020)
R C Nunes (appointed 11 December 2019)

Future developments

Aligned with the Group's strategic plan Aspire and sustained growth in each international location the Group continues to expand its client services with ongoing investment in technology, immigration services, assignment management, advisory services and expense management.

Research and development activities

The Group carries out research and development activities in connection with the continued development of the Ascent software used to service clients.

Principal risks and uncertainties and financial risk management

Details of the Group's principal risks and uncertainties and policies with regards to financial risk management are included within the Strategic report.

ATHENA INFINITE SPIRIT LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Post balance sheet events

On 30 March 2020, the Company acquired 100% of the issued share capital in K2 Group Corporate Moving Systems PTE. Ltd, a company registered in Singapore. The acquisition resulted in the issue of 1,660 ordinary shares in the Company.

On 11 May 2020, the Group obtained a loan with a facility amount of £2m from Barclays Bank Plc, as part of the government Coronavirus Business Interruption Loan (CBIL) scheme. This loan is repayable in 2023 and is interest free until May 2021.

On 1 July 2020, the Company acquired 100% of the issued share capital in K2 Corporate Mobility AB, a company registered in Sweden. The acquisition resulted in the issue of 1,076 ordinary shares in the Company.

On 31 July 2020, the Company acquired 100% of the issued share capital in K2 Corporate Mobility (Hong Kong) Limited, a company registered in Hong Kong. The acquisition resulted in the issue of 1 ordinary share in the Company.

On 30 September 2020, the Company paid a dividend of £449,948 to the shareholders of the Company.

COVID-19

As at the time of finalising our 2019 financial statements the world is in the midst of a global pandemic, COVID-19, which has raised concerns in relation to the commercial viability of businesses within every industry. This is a non-adjusting post balance sheet event.

Like all companies, COVID-19 has had an impact on the Group with reduced activity levels. However, in spite of the challenges, the Group has made a profit in the YTD 2020 and has continued its success within the market in renewing contracts with existing clients together with new client wins.

Engagement with employees

The Group policy is to regularly and openly discuss matters of importance and interest with all employees, and facilitates this communication via meetings, emails, bulletins and the internal intranet. Group performance and matters of interest is provided to employees to create a common awareness on the financial and commercial factors affecting the Group.

Currently there is no employee share scheme but a proposal to implement a scheme is in advanced stages which will further encourage employee involvement in developing trading performance and encouraging employee retention.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

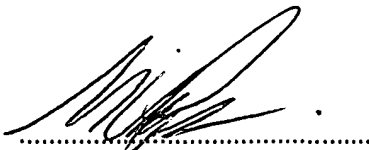
ATHENA INFINITE SPIRIT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Auditors

The auditors, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



N J Plummer
Director

Date: 21/12/2020.

ATHENA INFINITE SPIRIT LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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.

ATHENA INFINITE SPIRIT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATHENA INFINITE SPIRIT LIMITED

Opinion

We have audited the financial statements of Athena Infinite Spirit Limited (the 'parent company') for the year ended 31 December 2019 which comprise the Consolidated statement of comprehensive income, Consolidated and parent company balance sheets, Consolidated and parent company statement of changes in equity, Consolidated statement of cash flows and the 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 FRS 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's affairs as at 31 December 2019 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ATHENA INFINITE SPIRIT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATHENA INFINITE SPIRIT LIMITED (CONTINUED)

Emphasis of matter

We draw attention to Note 2.3 of the financial statements, which describes the impact of COVID-19 on the Group and parent company. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the Annual report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

Opinion 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report 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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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, 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 directors' responsibilities statement set out on page 6, 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 group's or 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 company or to cease operations, or have no realistic alternative but to do so.

ATHENA INFINITE SPIRIT LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATHENA INFINITE SPIRIT LIMITED
(CONTINUED)**

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.

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.

Nexia Smith & Williamson

Timothy Adams (Senior statutory auditor)

for and on behalf of
Nexia Smith & Williamson

Statutory Auditor
Chartered Accountants

25 Moorgate
London
EC2R 6AY

Date: 22/12/2020

ATHENA INFINITE SPIRIT LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	As restated 2018 £
Turnover	4	18,838,426	14,380,780
Cost of sales		(12,358,234)	(9,474,497)
Gross profit		6,480,192	4,906,283
Administrative expenses		(7,765,130)	(6,596,517)
Other operating income	5	2,914,996	1,998,582
Operating profit	6	1,630,058	308,348
Interest receivable and similar income	10	10,700	1,461
Interest payable and expenses		(234)	(458)
Profit before taxation		1,640,524	309,351
Tax on profit	11	22,835	530,925
Profit for the financial year		1,663,359	840,276
Profit for the year attributable to:			
Non-controlling interests		12,194	9,976
Owners of the parent Company		1,651,165	830,300
		1,663,359	840,276
Total comprehensive income for the year attributable to:			
Non-controlling interest		12,194	9,976
Owners of the parent Company		1,651,165	830,300
		1,663,359	840,276

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 18 to 39 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED
REGISTERED NUMBER: 11555770

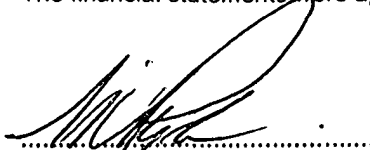
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	As restated 2018 £
Fixed assets			
Intangible assets	13	1,350,247	1,440,280
Tangible assets	14	43,603	35,658
		<u>1,393,850</u>	<u>1,475,938</u>
Current assets			
Stocks	16	192,880	115,244
Debtors: amounts falling due within one year	17	7,838,906	5,594,396
Cash at bank and in hand	18	2,469,503	1,911,340
		<u>10,501,289</u>	<u>7,620,980</u>
Creditors: amounts falling due within one year	19	(6,160,481)	(4,615,701)
Net current assets		<u>4,340,808</u>	<u>3,005,279</u>
Total assets less current liabilities		<u>5,734,658</u>	<u>4,481,217</u>
Creditors: amounts falling due after more than one year	20	-	(115,000)
Provisions for liabilities			
Other provisions	22	(12,499)	(12,499)
		<u>(12,499)</u>	<u>(12,499)</u>
Net assets		<u>5,722,159</u>	<u>4,353,718</u>
Capital and reserves			
Called up share capital	23	5,144	2
Profit and loss account	24	5,650,512	4,299,407
Equity attributable to owners of the parent Company		<u>5,655,656</u>	<u>4,299,409</u>
Non-controlling interests		66,503	54,309
Shareholders' funds		<u>5,722,159</u>	<u>4,353,718</u>

ATHENA INFINITE SPIRIT LIMITED
REGISTERED NUMBER: 11555770

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2019

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....
N J Plummer
Director

Date: 21/12/2020 .

The notes on pages 18 to 39 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED
REGISTERED NUMBER: 11555770

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	As restated 2018 £
Fixed assets			
Investments	15	5,144	-
		<u>5,144</u>	<u>-</u>
Current assets			
Cash at bank and in hand	18	-	2
		<u>-</u>	<u>2</u>
Total assets less current liabilities		<u>5,144</u>	<u>2</u>
Net assets		<u>5,144</u>	<u>2</u>
Capital and reserves			
Called up share capital	23	5,144	2
Profit for the year		300,060	-
Dividends	12	(300,060)	-
Shareholders' funds		<u>5,144</u>	<u>2</u>

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss in these financial statements. The profit after tax of the Company for the year was £300,060 (2018: £Nil).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



N J Plummer
 Director

Date: 21/12/2020 .

The notes on pages 18 to 39 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
At 1 January 2018	-	3,895,423	3,895,423	44,333	3,939,756
Comprehensive income for the year					
Profit for the year	-	830,300	830,300	9,976	840,276
Dividends: Equity capital	-	(426,316)	(426,316)	-	(426,316)
Shares issued during the year	2	-	2	-	2
Total transactions with owners	2	(426,316)	(426,314)	-	(426,314)
At 1 January 2019	2	4,299,407	4,299,409	54,309	4,353,718
Comprehensive income for the year					
Profit for the year	-	1,651,165	1,651,165	12,194	1,663,359
Total comprehensive income for the year	-	1,651,165	1,651,165	12,194	1,663,359
Dividends: Equity capital	-	(300,060)	(300,060)	-	(300,060)
Shares issued during the year	5,142	-	5,142	-	5,142
Total transactions with owners	5,142	(300,060)	(294,918)	-	(294,918)
At 31 December 2019	5,144	5,650,512	5,655,656	66,503	5,722,159

The notes on pages 18 to 39 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £	Profit and loss account £	Total equity £
Contributions by and distributions to owners			
Shares issued during the year	2	-	2
Total transactions with owners	2	-	2
At 1 January 2019	2	-	2
Comprehensive income for the year			
Profit for the year	-	300,060	300,060
Total comprehensive income for the year	-	300,060	300,060
Contributions by and distributions to owners			
Dividends: Equity capital	-	(300,060)	(300,060)
Shares issued during the year	5,142	-	5,142
Total transactions with owners	5,142	(300,060)	(294,918)
At 31 December 2019	5,144	-	5,144

The notes on pages 18 to 39 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019 £	2018 £
Cash flows from operating activities		
Profit for the financial year	1,663,359	840,276
Adjustments for:		
Amortisation of intangible assets	482,634	322,690
Depreciation of tangible assets	28,004	24,091
Interest paid	234	458
Interest received	(10,700)	(1,461)
Taxation charge	(22,835)	(530,925)
(Increase)/decrease in work in progress	(77,636)	47,980
(Increase) in debtors	(2,124,698)	(779,885)
Increase in creditors	793,752	1,072,976
Corporation tax paid	(55,807)	(172,997)
Net cash generated from operating activities	676,307	823,203
Cash flows from investing activities		
Purchase of intangible fixed assets	(392,601)	(329,583)
Purchase of tangible fixed assets	(35,949)	(16,640)
Consideration paid for acquisition of subsidiary	-	(577,183)
Interest received	10,700	1,461
Net cash from investing activities	(417,850)	(921,945)
Cash flows from financing activities		
Issue of ordinary shares	-	2
New secured loans	600,000	-
Dividends paid	(300,060)	(426,316)
Interest paid	(234)	(458)
Net cash used in financing activities	299,706	(426,772)
Net increase/(decrease) in cash and cash equivalents	558,163	(525,514)
Cash and cash equivalents at beginning of year	1,911,340	2,436,854
Cash and cash equivalents at the end of year	2,469,503	1,911,340
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,469,503	1,911,340
	2,469,503	1,911,340

ATHENA INFINITE SPIRIT LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2019**

	At 1 January 2019 £	Cash flows £	At 31 December 2019 £
Cash at bank and in hand	1,911,340	558,163	2,469,503
Debt due within 1 year	-	(600,000)	(600,000)
	<u>1,911,340</u>	<u>(41,837)</u>	<u>1,869,503</u>

The notes on pages 18 to 39 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Athena Infinite Spirit Limited is a private limited company, limited by shares, incorporated in England and Wales under the Companies Act 2006 (registered number 11555770). Its registered office is 25 Moorgate, London, EC2R 6AY. The nature of the Company's operations and its principal activities are set out in the Group Strategic Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company complied with all the requirements of FRS102 and Companies Act 2006, except it has departed from these requirements in accounting for the group reconstruction that took place during the period ended 31 December 2019 in order to give a true and fair view.

Normally merger accounting under FRS102 would have been precluded on the basis that there was no controlling party before or after the merger. Without a true and fair override this would have resulted in the application of acquisition accounting, a valuation of the business and the addition of Goodwill and potentially other intangible assets to the Balance Sheet of the new Group.

The Company's directors believe that this would be misleading in the circumstances as this treatment would apply an arbitrary valuation of intangible assets to the Balance sheet and imply the creation of a new group. This treatment would be completely contrary to the intention and economic substance of the group reconstruction. This was a genuine merger where the ultimate shareholding and rights of the individual shareholders in regards to the Company were completely unmodified as the relative interests of the shareholders remains unchanged before and after the reconstruction. As a result, the directors have applied merger relief and merger accounting so that the shares issued in Athena Infinite Spirit Limited in exchange for 100% of the shares in K2 Group Moving Systems Limited are issued at nominal value and the group results consolidated using the merger basis of accounting as described in FRS 102 and the directors have concluded this presents a true and fair view of the Company's and Group's financial position and the Group's financial performance and cash flows.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The Company has also taken advantage of the following exemptions available under FRS 102:

- the exemption from preparing a statement of cash flows
- the exemption from disclosing key management personnel remuneration

The following principal accounting policies have been applied:

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.2 Basis of consolidation

In September 2018, a new parent company, Athena Infinite Spirit Limited was introduced to the Group. The introduction of a new holding company constitutes a Group reconstruction and has been accounted for using merger accounting principles. Therefore, although the Group reconstruction did not become effective until July 2019, the consolidated financial statements of Athena Infinite Spirit Limited are presented as if the new parent entity has always been part of the Group. Accordingly, the results of the Group for the entire year ended 31 December 2019 are shown in the Consolidated Statement of Comprehensive Income and the comparative figures for the year ended 31 December 2018 are also presented on this basis.

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of the subsidiary undertakings using the merger basis of accounting. Under this basis carrying values of the assets and liabilities of the subsidiary entities are not required to be adjusted to fair value and instead were initially recognised at their previous carrying value.

Following the group reconstruction undertaken in 2019, the results and cash flows of all the combining entities are brought into the group financial statements from 1 January 2019. No adjustments were required to achieve uniformity of accounting policies with FRS 102. The comparative information includes the total comprehensive income and Balance Sheet for all the combining entities for the previous reporting period (2018).

Business combinations that are undertaken using the purchase method involve the acquiree's identifiable assets, liabilities and contingent liabilities initially being recognised in the Balance sheet at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Going concern

As at 31 December 2019, the Group had net current assets of £4.3m and generated a profit before tax of £1.7m. In addition, the Group had delivered revenue growth of 31% from the prior year and a 98% increase in net profit and had a year end cash balance of £2.5m.

A full assessment has been carried out by management to understand the forward looking financial position of the Group and the Company and their ability to continue as a going concern. Forecasts prepared by management show that the Group is expected to remain cash generative for the foreseeable future. In addition, a number of scenarios and sensitivities have been run on the forecasts and even in the most extreme downside scenario which takes into consideration the current and future impact of COVID-19, the Group maintains sufficient headroom for at least the 12 month period from the date of signing these financial statements. These scenarios, including the most extreme downside scenario which is considered to be improbable, exclude any mitigating actions that would be taken in these circumstances.

Like all companies, COVID-19 has had an impact on the Group with reduced activity levels. However, in spite of the challenges, the Group has made a profit in the YTD 2020 and has continued its success within the market in renewing contracts with existing clients together with new client wins.

Following this review, the directors are satisfied that, after taking into consideration the current market situation and uncertainty arising from the COVID-19 pandemic, the Group and the Company have adequate resources to continue to operate and meet its liabilities as they fall due for the foreseeable future, a period considered to be at least 12 months from the date of signing these Financial Statements. For this reason, they continue to adopt the Going Concern Basis for preparing the Financial Statements.

2.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Revenue generated in relation to removals, relocations and immigration services is recognised at the point on which the significant act is completed being the date of performance of the service.

Where income is received in relation to rental or storage services managed in the name of the company, the revenue and related expenses are recognised gross through profit and loss. Amounts are recognised in line with the service provision therefore appropriate accruals and deferrals are made.

Advisory income represents amounts recoverable from clients for professional services provided during the year. Income is recognised in the period in which the services are rendered by reference to the services performed to date compared to the total services to be performed.

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.5 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which are estimated to be 3 years, and are charged through administrative expenses.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.6 Intangible assets

The intangible assets comprise capitalised software and website development costs, as well as goodwill.

Software and development costs

These are initially recognised at cost and amortised on a straight line basis over their useful lives, which are estimated to be 3 years, and are charged through administrative expenses.

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful life, in the current case considered to be 10 years.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on the following basis:

Short-term leasehold property	-	evenly over the period of the lease
Fixtures and fittings	-	33% on cost
Office equipment	-	33% on cost
Computer equipment	-	33% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Work in progress

Work in progress is constituted of costs incurred on jobs not yet invoiced and is valued at the lower of costs and net realisable value.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.12 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.14 Foreign currency translation

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.15 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.16 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.17 Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.19 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.20 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.21 Prior year restatement

Following a change in the estimated useful life of goodwill, a restatement was made to the prior year carrying value. For more information, see note 13 of these financial statements.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period.

Judgements

Financial instrument classification

The classification of financial instruments as "basic" or "other" requires judgement as to whether all applicable conditions for classification as basic are met. This includes consideration of the form of the instrument and its return.

Key sources of estimation uncertainty

Bad debt provisions

The trade debtor balance of £3,605,224 (2018: £3,048,088) comprise a large number of relatively small balances. A full line by line review of trade debtors is carried out at the end of each month. While every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the levels of debts which will ultimately prove uncollectible.

Impairment of amounts owed by related entities

The recoverability of amounts owed by related entities of £2,624,352 (2018: £1,211,213) require judgment as to whether the future profitability of these entities will generate sufficient capital to repay the debts. Having regard to the 2019 financial position and performance of these entities, together with forecasted performance, Management do not believe an impairment charge is required.

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

4. Turnover

The whole of the turnover is attributable to international relocation services.

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	9,802,244	9,158,616
Rest of Europe	2,636,372	1,593,966
Rest of the world	6,399,810	3,628,198
	<u>18,838,426</u>	<u>14,380,780</u>

5. Other operating income

	2019 £	2018 £
Other operating income	424	43,475
Amounts charged to related entities in respect of central costs	2,914,572	1,955,107
	<u>2,914,996</u>	<u>1,998,582</u>

6. Operating profit

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

	2019 £	2018 £
Impairment of trade debtors	(14,543)	22,532
Exchange differences	426,313	211,273
Other operating lease rentals	201,940	161,643
	<u></u>	<u></u>

7. Auditors' remuneration

	2019 £	2018 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>42,450</u>	<u>28,600</u>

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Wages and salaries	3,659,063	3,208,383	-	-
Social security costs	214,288	339,235	-	-
Cost of defined contribution scheme	153,035	116,754	-	-
	<u>4,026,386</u>	<u>3,664,372</u>	<u>-</u>	<u>-</u>

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

	2019 No.	2018 No.
Management	9	8
Sales and marketing	6	5
Operations	45	35
Administration and finance	19	15
	<u>79</u>	<u>63</u>

The Company has no employees. The directors did not receive any remuneration (2018: £NIL).

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

9. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	1,151,628	570,369
Company contributions to defined contribution pension schemes	57,091	47,395
	<u>1,208,719</u>	<u>617,764</u>

During the year retirement benefits were accruing to 2 directors (2018 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £381,028 (2018 - £200,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2018 - £NIL).

The value of the company's contributions paid to a defined benefit pension scheme in respect of the highest paid director amounted to £NIL (2018 - £NIL).

The total accrued pension provision of the highest paid director at 31 December 2019 amounted to £NIL (2018 - £NIL).

The amount of the accrued lump sum in respect of the highest paid director at 31 December 2019 amounted to £NIL (2018 - £NIL).

10. Interest receivable

	2019 £	2018 £
Bank interest receivable	10,700	1,461
	<u>10,700</u>	<u>1,461</u>

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11. Taxation

	2019	2018
	£	£
Corporation tax		
Current tax on profits for the year	57,999	(10,176)
	57,999	(10,176)
Total current tax	57,999	(10,176)
Deferred tax		
Origination and reversal of timing differences	(80,834)	(520,749)
Total deferred tax	(80,834)	(520,749)
Taxation on loss on ordinary activities	(22,835)	(530,925)

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11. Taxation (continued)

Factors affecting tax charge for the year

The difference between the total tax expense shown above and the amount calculated by applying the standard rate of UK corporation tax of 19% (2018: 19%) to the profit before tax is as follows:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>1,640,524</u>	<u>309,351</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	311,700	58,777
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,686	28,319
Fixed asset differences	75,278	37,495
Adjustment to tax charge in respect of prior periods	-	46,024
Adjustment to losses	-	(47,658)
Adjustment in research and development tax credit leading to a decrease in tax charge	(452,759)	(706,550)
Unrelieved tax losses carried forward	-	(12,671)
Change in provisions	(9,305)	-
Changes in tax rate	8,895	59,768
Deferred tax asset not recognised	2,125	-
Other permanent differences	219	-
Other short term differences	-	5,571
Differences in tax rates	37,326	-
Total tax charge for the year	<u><u>(22,835)</u></u>	<u><u>(530,925)</u></u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. Dividends

	2019 £	2018 £
Dividends paid	300,060	426,316
	<u>300,060</u>	<u>426,316</u>

13. Intangible assets

Group and Company

	Computer software £	Goodwill £	Total £
Cost			
At 1 January 2019	1,029,914	898,683	1,928,597
Additions	392,601	-	392,601
At 31 December 2019	<u>1,422,515</u>	<u>898,683</u>	<u>2,321,198</u>
Amortisation			
At 1 January 2019 (as previously stated)	435,894	184,661	620,555
Prior Year Adjustment	-	(132,238)	(132,238)
At 1 January 2019 (as restated)	435,894	52,423	488,317
Charge for the year on owned assets	392,766	89,868	482,634
At 31 December 2019	<u>828,660</u>	<u>142,291</u>	<u>970,951</u>
Net book value			
At 31 December 2019	<u>593,855</u>	<u>756,392</u>	<u>1,350,247</u>
At 31 December 2018 (as restated)	<u>594,020</u>	<u>846,260</u>	<u>1,440,280</u>

In 2018, the goodwill relating to the acquisition of Harbour was given a useful life of 3 years. However, during the year, the trade of Harbour was hived up to K2 Corporate Mobility Limited, leading to significant synergies and the ability to generate immigration revenues from a much wider customer base, using the expertise and capabilities of Harbour's employees. As a result, the directors reassessed the useful life of goodwill as being 10 years. This has led to a prior year restatement of the 2018 carrying value of goodwill equivalent to an increase in value of £132,238.

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

14. Tangible fixed assets

Group

	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation						
At 1 January 2019	89,866	17,445	19,912	7,455	116,815	251,493
Additions	-	-	8,518	-	27,431	35,949
At 31 December 2019	89,866	17,445	28,430	7,455	144,246	287,442
Depreciation						
At 1 January 2019	84,091	17,445	17,584	5,898	90,817	215,835
Charge for the year on owned assets	4,950	-	3,720	1,056	18,278	28,004
At 31 December 2019	89,041	17,445	21,304	6,954	109,095	243,839
Net book value						
At 31 December 2019	825	-	7,126	501	35,151	43,603
At 31 December 2018	5,775	-	2,328	1,557	25,998	35,658

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

15. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
Additions	5,144
At 31 December 2019	<u>5,144</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
K2 Corporate Mobility Limited	25 Moorgate, London, EC2R 6AY	Ordinary	100%
Harbour HR Limited	25 Moorgate, London, EC2R 6AY	Ordinary	100%
K2 Mobility Limited	25 Moorgate, London, EC2R 6AY	Ordinary	100%
K2 Moving Systems SA (Pty) Limited	Somerset Links Office Park, Unit 406 - 408 Pebble Beach, De Beers Avenue, Somerset West	Ordinary	100%
K2 Group Moving Systems Limited	Elizabeth House, 9 Castle Street, St Helier, Jersey, Channel Islands, JE2 3RT	Ordinary	100%

K2 Mobility Limited is a dormant entity.

The Company has provided a statutory guarantee to Harbour HR Limited and therefore this entity has taken advantage of the exemption from audit for the year ended 31 December 2019 as permitted by section 479A of the Companies Act 2006.

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

16. Work in progress

	Group 2019 £	Group 2018 £
Work in progress	192,880	115,244
	<u>192,880</u>	<u>115,244</u>

17. Debtors

	Group 2019 £	Group 2018 £
Trade debtors	3,605,224	3,048,088
Amounts owed by related entities	2,624,352	1,211,213
Other debtors	285,806	493,096
Prepayments and accrued income	732,363	365,508
Tax recoverable	80,470	46,634
Deferred taxation	510,691	429,857
	<u>7,838,906</u>	<u>5,594,396</u>

18. Cash and cash equivalents

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Cash at bank and in hand	2,469,503	1,911,340	-	2
	<u>2,469,503</u>	<u>1,911,340</u>	<u>-</u>	<u>2</u>

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

19. Creditors: Amounts falling due within one year

	Group 2019 £	Group 2018 £
Bank loans	600,000	-
Trade creditors	2,052,950	1,607,388
Amounts owed to related entities	378,981	769,759
Corporation tax	58,323	22,295
Other taxation and social security	323,401	67,488
Other creditors	506,870	579,387
Accruals and deferred income	2,239,956	1,569,384
	<u>6,160,481</u>	<u>4,615,701</u>

During the year, the Group entered into a new loan facility with a facility limit of £1,000,000. The loan facility has an interest rate of 2.30% + LIBOR.

At the year-end, the Group had drawn down £600,000 of the total available facility, and this has been included in creditors.

Security

The loan facility is secured by way of a debenture granted by K2 Corporate Mobility Limited in favour of the lender.

20. Creditors: Amounts falling due after more than one year

	Group 2019 £	Group 2018 £
Other creditors	-	115,000
	<u>-</u>	<u>115,000</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Group

22. Provisions

Group

	Dilapidation provision £
At 1 January 2019	12,499
At 31 December 2019	12,499

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

23. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
5,144 (2018 - 2) Ordinary shares of £1.00 each	5,144	2

During the year, 5,142 ordinary shares with a nominal value of £1.00 were allotted in respect of the acquisition of K2 Group Moving Systems Limited. The non-cash consideration was 100% of the issued share capital in K2 Group Moving Systems Limited.

All ordinary shares have attached to them full voting, dividend and capital distribution (including winding up) rights. They do not confer any rights of redemption.

24. Reserves

Profit and loss account

This account relates to the cumulative profit and loss less amounts distributed to shareholders or transferred to the capital redemption reserve.

25. Commitments under operating leases

At 31 December 2019 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 £	Group 2018 £
Not later than 1 year	125,842	178,973
Later than 1 year and not later than 5 years	31,331	100,917
	<u>157,173</u>	<u>279,890</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

26. Related party transactions

Transactions with key management personnel

Key management personnel are those persons having authority and responsibility for planning, controlling and directing the activities of the Group. In the opinion of the Board, the Group's key management personnel are considered to be individuals who served as directors of the Group during the year plus two individuals who are not statutory directors but are members of senior management.

Key management personnel are deemed to be related parties of the Group. Total remuneration to such personnel, including pension contributions totalled £1,208,719 (2018: £845,697). Drawings were also taken by an individual who is an ultimate shareholder and director of the Company of £75,000 (2018: £150,000). At the year end a total of £25,001 (2018: £250,001) was owed to the Group by directors or former directors.

During the year, £300,060 was declared and paid as a dividend to the shareholders of the Company.

The Company has taken advantage of the exemption in FRS 102 Section 33.1A to not disclose transactions with wholly owned group entities.

Transactions with related entities

During the year transactions with companies under common control totalled £11,364,710, consisting of amounts received of £6,240,334 and amounts paid of £5,124,376 (2018: total of £5,290,721, consisting of amounts received of £3,725,536 and amounts paid of £1,565,185). These transactions represent transfers for cashflow management across the companies under common control. During the year, companies under common control were also recharged central costs totalling £2,915,392 (2018: £1,927,030). At the year end a net balance is owed to the Group of £2,245,371 (2018: £441,454 owed to the Group) which consists of £378,981 being owed by the Group (2018: £769,759) and £2,624,352 (2018: £1,211,033) being owed to the Group. All year end balances are unsecured, interest free, and repayable on demand.

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

27. Post balance sheet events

On 30 March 2020, the Company acquired 100% of the issued share capital in K2 Group Corporate Moving Systems PTE. Ltd, a company registered in Singapore. The acquisition resulted in the issue of 1,660 ordinary shares in the Company.

On 11 May 2020, the Group obtained a loan with a facility amount of £2m from Barclays Bank Plc, as part of the government Coronavirus Business Interruption Loan (CBIL) scheme. This loan is repayable in 2023 and is interest free until May 2021.

On 1 July 2020, the Company acquired 100% of the issued share capital in K2 Corporate Mobility AB, a company registered in Sweden. The acquisition resulted in the issue of 1,076 ordinary shares in the Company.

On 31 July 2020, the Company acquired 100% of the issued share capital in K2 Corporate Mobility (Hong Kong) Limited, a company registered in Hong Kong. The acquisition resulted in the issue of 1 ordinary share in the Company.

On 30 September 2020, the Company paid a dividend of £449,948 to the shareholders of the Company.

COVID-19

As at the time of finalising our 2019 financial statements the world is in the midst of a global pandemic, COVID-19, which has raised concerns in relation to the commercial viability of businesses within every industry. This is a non-adjusting post balance sheet event.

Like all companies, COVID-19 has had an impact on the Group with reduced activity levels. However, in spite of the challenges, the Group has made a profit in the YTD 2020 and has continued its success within the market in renewing contracts with existing clients together with new client wins.

28. Controlling party

In the opinion of the directors, there is no one ultimate controlling party.