

Registered number: 11555770

ATHENA INFINITE SPIRIT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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ATHENA INFINITE SPIRIT LIMITED

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COMPANY INFORMATION

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Directors	A J Hayward P E Hunt R J McFarland R C Nunes N J Plummer A J Seear J Wakeham
Registered number	11555770
Registered office	45 Gresham Street London EC2V 7BG
Independent auditor	CLA Evelyn Partners Limited Chartered Accountants & Statutory Auditor 45 Gresham Street London EC2V 7BG

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ATHENA INFINITE SPIRIT LIMITED

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## ATHENA INFINITE SPIRIT LIMITED

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### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Introduction

The directors present the Group Strategic Report and financial statements for Athena Infinite Spirit Limited ("Athena") for the year ended 31 December 2021.

#### 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 constituted a group reconstruction, it was accounted for using merger accounting principles. The consolidated financial statements of Athena Infinite Spirit Limited are therefore presented as if the new Parent Company had always been part of the Group.

On 30 March 2020, the Company acquired 100% of the issued share capital in K2 Group Corporate Moving Systems PTE. Ltd ("K2 Singapore"), a company registered in Singapore. This transaction also led to K2 Corporate Moving Systems Pty Ltd ("K2 Australia"), a wholly owned subsidiary of K2 Singapore registered in Australia, joining the Group. In addition, the Company acquired 100% of the issued share capital in K2 Corporate Mobility AB ("K2 Sweden"), a company registered in Sweden, and 100% of the issued share capital in K2 Corporate Mobility (Hong Kong) Limited, a company registered in Hong Kong. The acquisition of the latter resulted in the issue of 1 ordinary share in the Company.

During the year ending 31 December 2021, the Group restructure was completed with the following transactions. On 1 March 2021, the Company acquired 100% of the issued share capital in K2 Advisory DMCC ("K2 Dubai"), a company registered in Dubai. The acquisition resulted in the issue of 1 ordinary share in the Company. On 3 August 2021, the Company acquired 100% of the issued share capital in K2 Corporate Mobility LLC ("K2 USA"), a company registered in the United States of America. The acquisition resulted in the issue of 2,118 shares in the Company. This transaction also led to K2 Corporate Mobility LTDA ("K2 Brazil"), a wholly owned subsidiary of K2 USA registered in Brazil, joining the Group. K2 Corporate Mobility LTDA was the final K2 entity to join the Group.

The Athena board of directors is pleased to report that the period ending December 2021 has delivered total revenues of £47.7m, representing a 66% growth on 2020 (2020 - £28.7m). This increase is partly due to the incorporation of the USA entity into the Group structure, and partly due to the fact that underlying growth was in excess of 41% on a like-for-like basis.

Delivered in a very challenging period for the industry and wider global market, the Group's strong performance has resulted in a pre-tax profit of £1.6m (2020 - £1.8m). The Balance Sheet also grew in strength, presenting cash reserves of £8.7m (2020 - £7.5m) and a tangible net worth of £7.1m (2020 - £6.9m), providing the Group with high levels of liquidity for both daily operations and future investments.

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## ATHENA INFINITE SPIRIT LIMITED

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### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Operational performance

Athena Group directors were exceptionally pleased to also be able to ensure that as a result of proactive client acquisitions and new opportunities during the year, there was no requirement to reduce headcount in spite of the challenges presented by the pandemic. In fact, headcount increased in the final quarter of the year to scale up for the expected release of restrictions from the pandemic and the continued onboarding of new clients throughout 2021.

As well as acquiring new clients, during the year ended December 2021, the Athena Group renewed all contracts with key global clients and continued its proud tradition of retaining clients based on exceptional service delivery and agility.

The Athena Group's technology strategy to develop and innovate insightful client and assignee solutions is aligned with the continued inclusion in the HMRC Research & Development tax credit programme. This business model enables the Athena Group to continue the long-term vision of sustainably investing in technological innovation to help maintain market-leading propositions in tracking, reporting, and assignment and expense management to underpin our outstanding service delivery objectives.

Thanks to our global specialist in-house expertise, the Athena Group successfully retained all ISO accreditations and continues to enhance and develop compliance infrastructure and practices both in the UK and worldwide across all the Group's offices and territories ensuring all legal and regulatory standards are met and exceeded in every Group location.

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## ATHENA INFINITE SPIRIT LIMITED

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### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Aspire to Kinetic

Aspire, the Group's first five-year business plan, concluded at the end of 2021. As part of Aspire, we achieved the following:

- We developed a unique narrative and value proposition.
- We carefully managed our growth, balancing ambition with sustainability.
- We invested in the wellbeing and professional development of our people and took action to increase global collaboration.
- We developed a viable and scalable business model.
- We maintained robust due diligence and business credibility through compliance and service delivery.

As the Aspire chapter closes, the Kinetic chapter begins. Kinetic will harness the tremendous energy and momentum generated by Aspire and channel it into the next exciting phase of the Group's growth and development. The strategy is built around six pillars, chosen for the critical role that each will play in the natural evolution of the business:

- People & Culture. Our aim is to grow without compromise.
- Commercial Success. Our aim is to achieve 15% growth YOY.
- Partner Network. Our aim is to bring our partners into the heart of the K2 family, encourage them to join our drive for sustainability and develop their performance.
- Marketing. Our aim is to increase awareness of K2, increase the number of leads generated, enhance our brand reputation and strengthen our culture.
- Technology. Our aim is to further develop our technology capabilities in the global mobility digital world.
- Sustainability. Our aim is to reduce the impact that the business has on the environment and on the sustainability of the world.

The implementation of Kinetic will be an agile and iterative process, driven by annual operational goals set by global matrix teams across the Group. It will be embedded and actioned at every level within the business, from individual employees who will have personal sustainability goals, to senior leaders responsible for developing additional service lines such as immigration and US domestic mobility. In this way, Kinetic will be driven forward by all parts of and every single person within the business, significantly increasing its chances of being successful.

#### Notable successes

In spite of the challenge presented by the pandemic, the Group directors were exceptionally proud of the fact that as a result of proactive client acquisitions and new opportunities taken throughout the year, there was no requirement to reduce headcount. In fact, the final quarter of the year saw headcount increase as the Group scaled up in preparation for the expected release of pandemic restrictions and the continued onboarding of new clients.

In addition to acquiring new clients, during the year ended December 2021, the Group renewed contracts with all key global clients, continuing its proud tradition of retaining clients based on exceptional service delivery and agility, even in the most trying of circumstances.

During 2021, the Group successfully retained all ISO accreditations. It also continued to enhance and develop compliance infrastructure and practices, ensuring that all legal and regulatory standards are met in every K2 location.

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## ATHENA INFINITE SPIRIT LIMITED

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### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### **Principal risks and uncertainties**

The nature of the business means that the Group is exposed to several financial risks. The directors continually review and manage these risks, as detailed below:

#### ***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 and risk strategies developed as required.

#### ***Interest rate risk***

The Group's operations are predominantly financed through retained profits and existing cash reserves; however, debt finance is also used when required. As a result, from time to time the Group is exposed to interest rate risk, though 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 robust portfolio of clients, but there is still an element of risk to the business, one which would manifest itself in the loss of a number of key client accounts. The Group's core strategic objectives drive a focus on continuous improvement and so guard against this risk. Service excellence is the K2 differentiator: continuous improvement is required to maintain this excellence and fulfil our unique service promise, year after year.

#### **Financial key performance indicators**

The main financial KPIs of the Group are Revenue, Gross Profit, Net Profit and Cash Liquidity. Group revenue was 66% up on 2020 at £47.7m, which was enabled by significant new client wins throughout the year. Gross Profit increased to £18.3m (2020 - £11.3m) and Net Profit after Tax was £1.7m (2020 - £1.7m). The revenue and gross profit increases were driven by the Group's success in both client retention and client acquisition. At the year end, the Group had cash at bank and in hand of £8.7m (2020 - £7.5m).

Led by our Compliance, Human Resources and Executive Leadership teams, the Group undertakes several internal audits, fulfils KPIs and maintains external ISO 27001 standards to measure and improve operational performance. Examples of core metrics employed by the Company are Customer Satisfaction; Client Services Efficiency; Client Cost Savings; Vendor Performance; and Invoicing Accuracy and Timelines. Management considers the Company to be performing extremely well against all of these indicators.

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



.....  
**N J Plummer**  
Director

Date: 30/09/2022

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## ATHENA INFINITE SPIRIT LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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

#### Results and dividends

The profit for the year, after taxation and minority interests, amounted to £1,571,551 (2020 - £1,555,828).

During the year, the directors declared and settled an interim dividend from the Company of £500,002 (2020 - £449,948).

At the time the dividend was paid, the directors were not aware that there were insufficient profits for the amount of £33,675, available for distribution and the directors acknowledge that no further distributions can be made until there are sufficient profits available for that purpose.

#### Directors

The directors who served during the year were:

A J Hayward  
P E Hunt  
R J McFarland  
R C Nunes  
N J Plummer  
A J Seear  
J Wakeham

#### Future developments

In line with Kinetic, the successor to Aspire which concluded at the end of this year, the Group will continue to expand its client services with ongoing investment in technology, industry insights and trends, 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 their in-house assignment management software, Ascent.

#### Principal risks and uncertainties and financial risk management

Details of the Group's principal risks and uncertainties as well as its financial risk management policies are included within the Strategic Report.



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## ATHENA INFINITE SPIRIT LIMITED

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Engagement with employees

**Leadership Direction and Engagement** – Athena has a robust internal communications function which enables it to guide and engage with its employees. Through Athena Group and regional "town halls", senior leadership provide key updates on and insights into strategic, commercial, service, client and financial priorities and performance. Global and regional emails keep the K2 family informed of key news items, events and opportunities. Further details on these are published on Milo, the Athena intranet, a fantastic resource which connects employees across the globe via engaging content and various employee recognition functions, and which also gives the Group the opportunity to share key documents such as One Voice Chapters and the Kinetic Code of Conduct.

**Employee Voice** – The views of employees are regularly sought by senior leadership as part of continuous improvement initiatives and ongoing internal communications. This year, there has been a particular focus on developing the Executive Leadership Team (ELT). The team is made up of mid-level operational management; its purpose is to undertake a programme of continuous improvement work and facilitate feedback from frontline employees to senior leadership. Employee feedback is also gathered via employee surveys, the results of which are factored into annual leadership plans. In this way, feedback is collected in both a structured and a more organic way, ensuring that it is both contextualised and validated.

**Values, Culture and Service Excellence** – People and culture are key to the Group's success. Without them, the Group's values would become diluted and it would start to fall short of its service excellence commitments. Consequently, multiple aspects of the business focus on protecting and strengthening the Athena family. People & Culture is one of the six Kinetic pillars, one which challenges the Group to grow without compromise by attracting the right people, developing employees through graduate and intern programmes, mentoring and development opportunities, and retaining employees through wellbeing, reward and recognition programmes. One of the ELT's biggest focus areas this year has been the "K2 Citizen" project, which will provide a formal recognition structure for employees who go above and beyond, exemplifying what it means to do things the "K2 Way". K2 Talks and training initiatives such as "Back 2 Basics" and "Changing the Conversation" give employees the opportunity to learn, discover and take control of their professional development. Finally, the Global Social Committee organises a rich programme of activity which raises awareness of and champions diversity and inclusion, cultural identity, CSR/fundraising initiatives and sustainability drives.

#### Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

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

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ATHENA INFINITE SPIRIT LIMITED

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DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**Post balance sheet events**

On 20 May 2022, the Company paid a dividend of £100,000 to the shareholders of the Company.

This dividend was paid prior to the identification of the matter described under Results and dividends above, and will be corrected by way of an additional dividend being paid to the Company from its subsidiaries to increase its distributable reserves to a positive position.

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



.....  
N J Plummer  
Director

Date: 30/09/2022

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ATHENA INFINITE SPIRIT LIMITED

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DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2021

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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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATHENA INFINITE SPIRIT LIMITED

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### Opinion

We have audited the financial statements of Athena Infinite Spirit Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 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 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 2021 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

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

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

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

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## ATHENA INFINITE SPIRIT LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATHENA INFINITE SPIRIT LIMITED (CONTINUED)

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#### 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 contained within the Annual report and financial statements. 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. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 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 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 8, 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 and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

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## ATHENA INFINITE SPIRIT LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATHENA INFINITE SPIRIT LIMITED (CONTINUED)

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#### 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.

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

We obtained a general understanding of the Group and parent company's legal and regulatory framework through enquiry of management in respect of their understanding of the relevant laws and regulations. We obtained an understanding of the Group and parent company's policies and procedures in relation to compliance with relevant laws and regulations.

We also drew on our existing understanding of the Group and parent company's industry and regulation. We understand that the Group and parent company complies with the framework through:

- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change; and
- The directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Group and parent company's ability to conduct business and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significance in the context of the Group and parent company:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations above:

- We enquired with the Group and parent company's management as to the existence of litigation and no material items were identified;
- We reviewed board meeting minutes of the Group and parent company for evidence of non-compliance and no material items were identified; and
- We obtained written management representations regarding the adequacy of procedures in place.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the Group and parent company's financial statements to material misstatement, including how fraud might occur.

The key areas identified as part of the discussion were with regard to the manipulation of the financial statements through manual journal entries and incorrect recognition of revenue. The procedures carried out to gain evidence in the above areas included:

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ATHENA INFINITE SPIRIT LIMITED

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

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- Testing revenue transactions to underlying documentation; and
- Testing of a sample of manual journal entries, selected through applying specific risk assessments applied based on the Group and parent company's processes and controls surrounding manual journal entries.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.

*Timothy Adams*

Timothy Adams (Sep 30, 2022 15:22 GMT+1)

Timothy Adams (Senior Statutory Auditor)

for and on behalf of

**CLA Evelyn Partners Limited**

Chartered Accountants  
Statutory Auditor

45 Gresham Street  
London  
EC2V 7BG

Date: 30/09/2022

ATHENA INFINITE SPIRIT LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	As restated 2020 £
Turnover	4	47,694,453	28,723,943
Cost of sales		(29,441,351)	(17,456,315)
<b>Gross profit</b>		<b>18,253,102</b>	<b>11,267,628</b>
Administrative expenses		(16,740,259)	(11,035,725)
Other operating income	5	330,191	1,590,549
<b>Operating profit</b>		<b>1,843,034</b>	<b>1,822,452</b>
Interest receivable and similar income	10	3,723	25,369
Interest payable and similar expenses	11	(287,426)	(9,711)
<b>Profit before taxation</b>		<b>1,559,331</b>	<b>1,838,110</b>
Tax on profit	12	153,082	(185,792)
<b>Profit for the financial year</b>		<b>1,712,413</b>	<b>1,652,318</b>
<b>Profit for the year attributable to:</b>			
Non-controlling interests		140,862	96,490
Owners of the parent Company		1,571,551	1,555,828
		<b>1,712,413</b>	<b>1,652,318</b>
<b>Total comprehensive income for the year attributable to:</b>			
Non-controlling interest		140,862	96,490
Owners of the parent Company		1,571,551	1,555,828
		<b>1,712,413</b>	<b>1,652,318</b>

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 23 to 52 form part of these financial statements.



ATHENA INFINITE SPIRIT LIMITED  
REGISTERED NUMBER 11555770

CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2021

	Note	2021 £	As restated 2020 £
<b>Fixed assets</b>			
Intangible assets	13	6,564,767	1,289,191
Tangible assets	14	998,123	259,626
		<u>7,562,890</u>	<u>1,548,817</u>
<b>Current assets</b>			
Work in progress	16	1,299,808	783,327
Debtors: amounts falling due within one year	17	20,792,899	12,260,108
Cash at bank and in hand	18	8,719,945	7,464,890
		<u>30,812,652</u>	<u>20,508,325</u>
Creditors: amounts falling due within one year	19	(24,068,142)	(12,311,257)
<b>Net current assets</b>		<u>6,744,510</u>	<u>8,197,068</u>
<b>Total assets less current liabilities</b>		<u>14,307,400</u>	<u>9,745,885</u>
Creditors: amounts falling due after more than one year	20	(524,088)	(1,504,130)
<b>Provisions for liabilities</b>			
Other provisions	24	(121,310)	(12,500)
		<u>(121,310)</u>	<u>(12,500)</u>
<b>Net assets excluding pension asset</b>		<u>13,662,002</u>	<u>8,229,255</u>
<b>Net assets</b>		<u>13,662,002</u>	<u>8,229,255</u>
<b>Capital and reserves</b>			
Called up share capital	25	10,000	7,881
Merger reserve	26	4,450,000	-
Profit and loss account	26	8,898,147	8,058,381
<b>Equity attributable to owners of the parent Company</b>		<u>13,358,147</u>	<u>8,066,262</u>
Non-controlling interests		303,855	162,993
		<u>13,662,002</u>	<u>8,229,255</u>

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ATHENA INFINITE SPIRIT LIMITED  
REGISTERED NUMBER 11555770

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CONSOLIDATED BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2021

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



.....  
N J Plummer  
Director

Date: 30/09/2022

The notes on pages 23 to 52 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED  
REGISTERED NUMBER 11555770

COMPANY BALANCE SHEET  
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	15	10,000	7,881
		<u>10,000</u>	<u>7,881</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	17	3,271,167	1,689,172
Cash at bank and in hand	18	54,255	4,255
		<u>3,325,422</u>	<u>1,693,427</u>
Creditors: amounts falling due within one year	19	(3,410,853)	(1,734,984)
<b>Net current liabilities</b>		<u>(85,431)</u>	<u>(41,557)</u>
<b>Total assets less current liabilities</b>		<u>(75,431)</u>	<u>(33,676)</u>
<b>Provisions for liabilities</b>			
Other provisions	24	(38,085)	-
		<u>(38,085)</u>	<u>-</u>
<b>Net assets excluding pension asset</b>		<u>(113,516)</u>	<u>(33,676)</u>
<b>Net liabilities</b>		<u>(113,516)</u>	<u>(33,676)</u>
<b>Capital and reserves</b>			
Called up share capital	25	10,000	7,881
Profit and loss account brought forward		(41,557)	-
Profit for the year		418,043	408,391
Other changes in the profit and loss account		(500,002)	(449,948)
		<u>(123,516)</u>	<u>(41,557)</u>
<b>Profit and loss account carried forward</b>		<u>(113,516)</u>	<u>(33,676)</u>

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ATHENA INFINITE SPIRIT LIMITED  
REGISTERED NUMBER11555770

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COMPANY BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2021

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



.....  
N J Plummer  
Director

Date: 30/09/2022

The notes on pages 23 to 52 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Merger reserve £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling Interests £	Total equity £
At 1 January 2020 (as restated)	5,144	-	7,153,740	7,158,884	66,503	7,225,387
Profit for the year (restated)	-	-	1,555,828	1,555,828	96,490	1,652,318
Dividends: Equity capital	-	-	(651,187)	(651,187)	-	(651,187)
Shares issued during the year	2,737	-	-	2,737	-	2,737
At 1 January 2021 (as restated)	7,881	-	8,058,381	8,066,262	162,993	8,229,255
Profit for the year	-	-	1,571,551	1,571,551	140,862	1,712,413
Dividends: Equity capital	-	-	(731,785)	(731,785)	-	(731,785)
Shares issued during the year	2,119	-	-	2,119	-	2,119
Merger reserve	-	4,450,000	-	4,450,000	-	4,450,000
At 31 December 2021	10,000	4,450,000	8,898,147	13,358,147	303,855	13,662,002

The notes on pages 23 to 52 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2020	5,144	-	5,144
Profit for the year	-	408,391	408,391
Dividends: Equity capital	-	(449,948)	(449,948)
Shares issued during the year	2,737	-	2,737
At 1 January 2021	7,881	(41,557)	(33,676)
Profit for the year	-	418,043	418,043
Dividends: Equity capital	-	(500,002)	(500,002)
Shares issued during the year	2,119	-	2,119
At 31 December 2021	10,000	(123,516)	(113,516)

The notes on pages 23 to 52 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	As restated 2020 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,712,413	1,652,318
<b>Adjustments for:</b>		
Amortisation of intangible assets	812,566	486,307
Depreciation of tangible assets	224,228	130,790
Loss on disposal of fixed assets	12,217	-
Interest paid	287,426	9,711
Interest received	(3,723)	(25,369)
Taxation charge	(153,082)	185,792
(Increase) in work in progress	(516,481)	(459,465)
(Increase) in debtors	(8,092,336)	(3,241,161)
Increase in creditors	11,304,276	4,011,460
Increase in provisions	108,810	-
Net liabilities assumed on acquisition of subsidiary (Note 28)	(405,286)	-
Corporation tax (paid)	(292,432)	(135,368)
<b>Net cash generated from operating activities</b>	<u>4,998,596</u>	<u>2,615,015</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(1,237,159)	(425,211)
Purchase of tangible fixed assets	(970,639)	(80,520)
Interest received	3,723	25,369
<b>Net cash from investing activities</b>	<u>(2,204,075)</u>	<u>(480,362)</u>
<b>Cash flows from financing activities</b>		
New secured loans	-	2,000,000
Repayment of loans	(467,970)	(600,000)
Repayment of/new finance leases	(35,230)	(74,535)
Dividends paid	(731,785)	(651,187)
Interest paid	(287,426)	(9,711)
<b>Net cash used in financing activities</b>	<u>(1,522,411)</u>	<u>664,567</u>
<b>Net increase in cash and cash equivalents</b>	<u>1,272,110</u>	<u>2,799,220</u>
Cash and cash equivalents at beginning of year	7,385,870	4,586,650
<b>Cash and cash equivalents at the end of year</b>	<u><u>8,657,980</u></u>	<u><u>7,385,870</u></u>

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ATHENA INFINITE SPIRIT LIMITED

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CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021

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	2021 £	As restated 2020 £
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	8,719,945	7,464,890
Bank overdrafts	(61,965)	(79,020)
	<u>8,657,980</u>	<u>7,385,870</u>

The notes on pages 23 to 52 form part of these financial statements.



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ATHENA INFINITE SPIRIT LIMITED

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CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2021

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	At 1 January 2021 (restated) £	Cash flows £	Other non- cash changes £	At 31 December 2021 £
Cash at bank and in hand	7,464,890	1,255,055	-	8,719,945
Bank overdrafts	(79,020)	17,055	-	(61,965)
Debt due after 1 year	(1,504,130)	-	1,002,454	(501,676)
Debt due within 1 year	(470,411)	467,970	(1,002,454)	(1,004,895)
Finance leases	(152,713)	35,230	-	(117,483)
	<u>5,258,616</u>	<u>1,775,310</u>	<u>-</u>	<u>7,033,921</u>

The notes on pages 23 to 52 form part of these financial statements.

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## ATHENA INFINITE SPIRIT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1. General information

Athena Infinite Spirit Ltd is a private company, limited by shares, domiciled and incorporated in England and Wales (registered number: 11555770). The registered office address is 45 Gresham Street, London, EC2V 7BG.

#### 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 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.

In preparing the separate financial statements of the Parent Company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the year has been presented as the reconciliation for the Group and the Parent Company would be identical;
- No Statement of Cash Flows has been presented for the Parent Company;
- No disclosures have been given for the aggregate remuneration of the key management personnel of the Parent Company as their remuneration is included in the totals for the Group as a whole.

The following principal accounting policies have been applied:

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## ATHENA INFINITE SPIRIT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.2 Basis of consolidation

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 for the year ended 31 December 2021 incorporate the results of K2 Advisory DMCC ("K2 Dubai") using the merger basis of accounting. Under this basis carrying values of the assets and liabilities of the subsidiary are not required to be adjusted to fair value and instead were initially recognised at their previous carrying value. No adjustments were required to achieve uniformity of accounting policies with FRS 102. The comparative information includes the total comprehensive income, Balance Sheet and cash flow for K2 Dubai for the previous reporting period (2020). The results and cash flows of K2 Dubai were brought into the group together with relevant comparative information for the prior reporting period which has been restated to show the Group as if K2 Dubai were always included. This resulted in a decrease in net assets of £100,568.

The application of merger accounting is permitted only if certain criteria are met, with one such characteristic being that the ultimate equity holders remain the same, and the rights of each equity holder, relative to the others, are unchanged. The introduction of K2 Dubai into the Group rendered a change in individual percentage shareholdings, suggesting that relative rights of the shareholders were changed. The shareholders have however confirmed that the Group continued to be operated and controlled jointly, despite the loss of control seemingly observed in % terms, upon inclusion of K2 Dubai within the group in 2021. Furthermore, they confirmed that the small percentage change has only resulted in a change to the rights to dividends and distributions, with the voting rights and decision making remain joint and equal. On this basis merger accounting could still be applied to this transaction.

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. K2 Corporate Mobility LLC has been accounted for using these concepts.

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## ATHENA INFINITE SPIRIT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.3 True and fair override

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 years ended 31 December 2019 and 2020 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 applied merger relief and merger accounting so that the shares issued in Athena Infinite Spirit Limited in exchange for 100% of the shares in all subsidiaries acquired in the prior years were 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.

During 2021, the same process as above was applied to the acquisition of K2 Dubai and K2 USA with additional shares being issued by Athena to the two shareholders in exchange for Athena obtaining control of the relevant entities. Again, as there was no ultimate controlling party before the business combinations took place, the same true and fair override has been applied and merger relief and merger accounting have been used. For further information, see note 28.

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## ATHENA INFINITE SPIRIT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.4 Going concern

As at 31 December 2021, the Group had net assets of £13.7m (2020 - £8.2m) and generated a profit before tax of £1.6m (2020 - £1.8m). In addition, the Group had a strong increase in revenue which was up 66% compared to the prior year and had a year end cash balance of £8.7m (2020 - £7.5m).

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, 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.

Following this review, the directors are satisfied that, after taking into consideration the current market situation, 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.

##### 2.5 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.

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 'administrative expenses'.

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.

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## ATHENA INFINITE SPIRIT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.6 Turnover

Turnover 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.

Turnover 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, being typically at pack date.

Where income is received in relation to rental or storage services managed in the name of the Company, the turnover and related expenses are recognised gross through profit or 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.

##### 2.7 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss 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.

##### 2.8 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.

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## ATHENA INFINITE SPIRIT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.9 Government grants

Government grants relate to income received in respect of various government support schemes available in the Group's worldwide locations. In the UK Coronavirus Job Retention Scheme ("CJRS") was provided by the government to businesses alleviate the financial impact of COVID-19 by placing staff on temporary leave.

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure when reasonable assurance is gained that the Group will comply with the conditions attached to the grant and the grant will be received.

As disclosed in note 21, the Group has also obtained a loan of £2,000,000 under the UK government's Coronavirus Business Interruption Loan scheme. The accounting policy for this is detailed within financial instruments note 2.22.

##### 2.10 Interest income

Interest income is recognised in profit or loss using the effective interest method.

##### 2.11 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### 2.12 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 profit or loss over its useful life, in the current case considered to be 10 years.

##### 2.13 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.

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## ATHENA INFINITE SPIRIT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.13 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property -	evenly over the period of the lease
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 profit or loss.

##### 2.14 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

##### 2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

##### 2.16 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.

##### 2.17 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.



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## ATHENA INFINITE SPIRIT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.18 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.

##### 2.19 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.

##### 2.20 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 profit or loss 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.

##### 2.21 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 profit or loss 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.

##### 2.22 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

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## ATHENA INFINITE SPIRIT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.22 Financial instruments (continued)

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

##### 2.23 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

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## ATHENA INFINITE SPIRIT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.24 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.

##### 2.25 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

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## ATHENA INFINITE SPIRIT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 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 £14,126,043 (2020 - £6,066,505) comprises 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. The bad debt provision as at 31 December 2021 was £13,433 (2020 - £16,683).

###### Impairment of amounts owed to the parent by group undertakings

The recoverability of amounts owed by group undertakings of £3,125,035 (2020 - £847,546) require judgment as to whether the future profitability of these entities will generate sufficient capital to repay the debts. Having regard to the 2021 financial position and performance of these entities, together with forecasted performance, Management do not believe an impairment charge is required.

#### 4. Turnover

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

Analysis of turnover by country of destination:

	2021 £	As restated 2020 £
United Kingdom	25,943,357	10,344,046
Rest of Europe	4,597,953	5,861,642
Rest of the world	17,153,143	12,518,255
	<u>47,694,453</u>	<u>28,723,943</u>

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ATHENA INFINITE SPIRIT LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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5. Other operating income

	2021 £	As restated 2020 £
Recharges to related entities	155,704	813,804
Government grants receivable	47,206	307,352
Amounts charged to related entities in respect of central costs	127,281	469,393
	<u>330,191</u>	<u>1,590,549</u>

6. Operating profit

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

	2021 £	As restated 2020 £
Impairment of trade debtors	16,683	4,674
Exchange differences	299,532	(4,990)
Other operating lease rentals	422,969	207,870
	<u>739,184</u>	<u>207,554</u>

7. Auditor's remuneration

	2021 £	As restated 2020 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>84,610</u>	<u>49,700</u>
<b>Fees payable to the Group's auditor and its associates in respect of:</b>		
Audit-related assurance services	13,000	8,500
Taxation compliance services	14,421	12,100
Other services relating to taxation	29,140	72,805
	<u>56,561</u>	<u>93,405</u>

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

8. Employees

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

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	11,011,725	6,885,351	2,685,880	1,709,609
Social security costs	1,232,745	698,395	364,500	200,382
Cost of defined contribution scheme	545,681	324,478	160,908	134,462
	<u>12,790,151</u>	<u>7,908,224</u>	<u>3,211,288</u>	<u>2,044,453</u>

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

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Management	13	18	9	9
Sales and marketing	8	4	1	1
Operations	147	92	8	3
Administration and finance	29	23	15	15
	<u>197</u>	<u>137</u>	<u>33</u>	<u>28</u>

9. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	696,600	568,825
Group contributions to defined contribution pension schemes	51,680	45,981
	<u>748,280</u>	<u>614,806</u>

During the year retirement benefits were accruing to 4 directors (2020 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £253,500 (2020 - £170,400).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,500 (2020 - £3,084).

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Interest receivable

	2021 £	As restated 2020 £
Other interest receivable	3,723	25,369
	<u>3,723</u>	<u>25,369</u>

11. Interest payable and similar expenses

	2021 £	As restated 2020 £
Bank interest payable	287,426	9,711
	<u>287,426</u>	<u>9,711</u>

12. Taxation

	2021 £	As restated 2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	85,737	175,988
	<u>85,737</u>	<u>175,988</u>
<b>Total current tax</b>	<u>85,737</u>	<u>175,988</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(238,819)	9,804
<b>Total deferred tax</b>	<u>(238,819)</u>	<u>9,804</u>
<b>Taxation on (loss)/profit on ordinary activities</b>	<u>(153,082)</u>	<u>185,792</u>

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ATHENA INFINITE SPIRIT LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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12. Taxation (continued)

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2020 - *lower than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	1,559,331	1,838,110
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	296,273	349,241
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	20,188	(8,013)
Fixed asset differences	(4,442)	(34,662)
Exempt ABGH distributions	(95,000)	-
Adjustments to tax charge in respect of prior periods	(317,418)	(122,771)
Deferred tax movement due to changes in tax rates	(197,114)	-
Deferred tax asset not recognised	8,993	-
Differences in tax rates	135,438	1,997
<b>Total tax charge for the year</b>	<b>(153,082)</b>	<b>185,792</b>

**Factors that may affect future tax charges**

Finance Act 2021 includes legislation to increase the main rate of corporation tax from 19% to 25% from 1 April 2023. The full anticipated effect of these changes is reflected in the above deferred tax balances.

The Chancellor announced in September 2022 that the future tax rate will be changing to 19% but as this has not been substantively enacted, no adjustments have been made to these financial statements.



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ATHENA INFINITE SPIRIT LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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13. Intangible assets

Group and Company

	Computer software £	Goodwill £	Total £
<b>Cost</b>			
At 1 January 2021	1,847,726	898,683	2,746,409
Additions	1,237,159	4,855,286	6,092,445
Disposals	(90,187)	-	(90,187)
At 31 December 2021	<u>2,994,698</u>	<u>5,753,969</u>	<u>8,748,667</u>
<b>Amortisation</b>			
At 1 January 2021	1,225,094	232,124	1,457,218
Charge for the year on owned assets	520,429	292,137	812,566
On disposals	(87,084)	-	(87,084)
Impairment charge	-	1,200	1,200
At 31 December 2021	<u>1,658,439</u>	<u>525,461</u>	<u>2,183,900</u>
<b>Net book value</b>			
At 31 December 2021	<u>1,336,259</u>	<u>5,228,508</u>	<u>6,564,767</u>
At 31 December 2020	<u>622,632</u>	<u>666,559</u>	<u>1,289,191</u>

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

14. Tangible fixed assets

Group

	Long-term leasehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>							
At 1 January 2021							
(as restated)	294,255	99,254	17,445	107,287	18,719	227,305	764,265
Additions	-	736,468	-	56,055	22,797	155,319	970,639
Disposals	(7,914)	(20,951)	(17,445)	(24,135)	(17,913)	(86,961)	(175,319)
At 31 December 2021	286,341	814,771	-	139,207	23,603	295,663	1,559,585
<b>Depreciation</b>							
At 1 January 2021							
(as restated)	152,725	92,213	17,445	79,685	10,153	152,418	504,639
Charge for the year	18,008	65,831	-	33,091	14,944	92,354	224,228
Disposals	-	(20,951)	(17,445)	(24,135)	(17,913)	(86,961)	(167,405)
At 31 December 2021	170,733	137,093	-	88,641	7,184	157,811	561,462

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ATHENA INFINITE SPIRIT LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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14. Tangible fixed assets (continued)

Net book value

At 31 December 2021

115,608	677,678	-	50,566	16,419	137,852	998,123
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At 31 December 2020  
(as restated)

141,530	7,041	-	27,602	8,566	74,887	259,626
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15. Fixed asset investments

Company

Investments  
in subsidiary  
companies  
£

Cost or valuation

At 1 January 2021

7,881

Additions

2,119

At 31 December 2021

10,000

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ATHENA INFINITE SPIRIT LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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15. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
K2 Corporate Mobility Limited*	45 Gresham Street, London, EC2V 7BG	Ordinary	100%
Harbour HR Limited*	45 Gresham Street, London, EC2V 7BG	Ordinary	100%
K2 Mobility Limited*	45 Gresham Street, London, EC2V 7BG	Ordinary	100%
K2 Corporate Mobility SA (Pty) Ltd*	Somerset Links Office Park, Unit 406 - 408 Pebble Beach, De Beers Avenue, Somerset West	Ordinary	76%
K2 Group Moving Systems Limited	Elizabeth House, 9 Castle Street, St Helier, Jersey, Channel Islands, JE2 3RT	Ordinary	100%
K2 Corporate Moving Systems Pte. Ltd	96 Robinson Road, #17- 02 SIF Building, Singapore, 068899	Ordinary	100%
K2 Corporate Moving Systems Pty Ltd	Level 16, 1 Market Street, Sydney, NSW 2000	Ordinary	100%
K2 Moving Systems Scandinavia AB	Kungsgatan 60, 111 22 Stockholm	Ordinary	100%
K2 Corporate Mobility (Hong Kong) Ltd*	31/F., 148 Electric Road, North Point, Hong Kong	Ordinary	100%
K2 Africa (Pty) Ltd*	Somerset Links Office Park, Unit 406 408 Pebble Beach, De Beers Avenue, Somerset West	Ordinary	76%
Zero to 60 (Pty) Limited	Somerset Links Office Park, Unit 406 408 Pebble Beach, De Beers Avenue, Somerset West	Ordinary	76%
K2 Corporate Mobility LLC	Suite 1610, 10375 Richmond Avenue, Houston, Texas 77042	Ordinary	100%
K2 Corporate Mobility LTDA*	Rua Arquiteto Olavo Redig de Campos 105, Torre B, 24º Andar, Sala 2441 Brooklin São Paulo Brasil 04711-904	Ordinary	100%

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ATHENA INFINITE SPIRIT LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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15. Fixed asset investments (continued)

Subsidiary undertakings (continued)

Name	Registered office	Class of shares	Holding
K2 Advisory DMCC	DMCC I5 Business Centre Unit 15-PF-06 Detached Retail 15 Jumeirah Lakes Towers PO Box 338403, Dubai	Ordinary	100%

All entities denoted with an \* are indirect subsidiary undertakings.

The principal activity all entities is that of relocation management. K2 Mobility Limited and K2 Corporate Mobility (Hong Kong) Ltd are dormant entities.

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 2021 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 2021

16. Work in progress

	Group 2021 £	Group <i>As restated</i> 2020 £
Work in progress	1,299,808	783,327
	<u>1,299,808</u>	<u>783,327</u>

17. Debtors

	Group 2021 £	Group <i>As restated</i> 2020 £	Company 2021 £	Company <i>As restated</i> 2020 £
Trade debtors	14,126,042	6,066,505	-	-
Amounts owed by group undertakings	-	-	3,125,035	847,546
Amounts owed by related entities	-	3,112,495	-	807,139
Other debtors	911,931	331,808	4,950	1,000
Prepayments and accrued income	4,189,817	2,215,387	141,182	33,487
Tax recoverable	825,403	33,026	-	-
Deferred taxation	739,706	500,887	-	-
	<u>20,792,899</u>	<u>12,260,108</u>	<u>3,271,167</u>	<u>1,689,172</u>

18. Cash and cash equivalents

	Group 2021 £	Group <i>As restated</i> 2020 £	Company 2021 £	Company <i>As restated</i> 2020 £
Cash at bank and in hand	8,719,945	7,464,890	54,255	4,255
Less: bank overdrafts	(61,965)	(79,020)	-	-
	<u>8,657,980</u>	<u>7,385,870</u>	<u>54,255</u>	<u>4,255</u>

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

19. Creditors: Amounts falling due within one year

	Group	Group <i>As restated</i>	Company	Company <i>As restated</i>
	2021	2020	2021	2020
	£	£	£	£
Bank overdrafts	61,965	79,020	-	-
Bank loans	1,004,895	470,411	-	-
Trade creditors	5,586,598	2,422,157	-	-
Amounts owed to group undertakings	-	-	2,568,836	1,224,042
Amounts owed to related entities	-	451,159	-	-
Corporation tax	59,461	56,188	-	-
Other taxation and social security	710,459	614,790	4,328	-
Obligations under finance lease and hire purchase contracts	95,071	152,713	-	-
Other creditors	5,101,699	1,676,218	9,229	603
Accruals and deferred income	11,447,994	6,388,601	828,460	510,339
	<u>24,068,142</u>	<u>12,311,257</u>	<u>3,410,853</u>	<u>1,734,984</u>

See note 21 for details of the Bank loans.

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

	Group	Group <i>As restated</i>
	2021	2020
	£	£
Bank loans	501,676	1,504,130
Net obligations under finance leases and hire purchase contracts	22,412	-
	<u>524,088</u>	<u>1,504,130</u>

See note 21 for details of the Bank loans.

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## ATHENA INFINITE SPIRIT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 21. Bank loans

During 2020, the Group took out a new loan with a facility limit of £2,000,000 under the UK government's Coronavirus Business Interruption Loan scheme. The loan facility has an interest rate of 2.64% + LIBOR. Under the terms of the scheme, interest is not payable for the first 12 months of the loan term. The loan is repayable in quarterly instalments of £250,000, following the first anniversary of the loan drawdown.

##### Security

Limited guarantee is given by the Secretary of State for Business, Energy and Industrial Strategy for £1,600,000. A cross-guarantee and debenture is also in place between the Company, Athena Infinite Spirit Limited and Harbour HR Limited in respect of this loan.

The maturity of loans is as follows:

Due within 1 year:	£1,004,895 (2020 - £470,411)
Due within 1-2 years	£501,676 (2020 - £1,002,795)
Due within 2-5 years	£Nil (2020 - £501,335)

#### 22. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2021 £	Group <i>As restated</i> 2020 £
Within one year	95,071	152,713
Between 1-5 years	22,412	-
	<u>117,483</u>	<u>152,713</u>

#### 23. Deferred taxation

##### Group

	2021 £	2020 £
At beginning of year	500,887	510,691
Charged to profit or loss	238,819	(9,804)
At end of year	<u>739,706</u>	<u>500,887</u>



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ATHENA INFINITE SPIRIT LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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23. Deferred taxation (continued)

	Group 2021 £	Group 2020 £
Accelerated capital allowances	(382,617)	(134,449)
Tax losses carried forward	1,060,696	599,326
Short-term timing differences	61,627	36,010
	<u>739,706</u>	<u>500,887</u>

24. Provisions

Group

	Dilapidation provision £
At 1 January 2021	12,500
Charged to profit or loss	108,810
At 31 December 2021	<u>121,310</u>

Company

	Dilapidation provision £	Total £
Charged to profit or loss	38,085	38,085
At 31 December 2021	<u>38,085</u>	<u>38,085</u>

25. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
10,000 (2020 - 7,881) Ordinary shares of £1.00 each	<u>10,000</u>	<u>7,881</u>

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ATHENA INFINITE SPIRIT LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**25. Share capital (continued)**

During the year a total of 2,119 Ordinary shares with a nominal value of £1.00 were allotted.

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.

**26. Reserves**

**Merger Reserve**

This reserve relates to the difference between the nominal and fair value of shares acquired on initial recognition of the business combination.

**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.

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ATHENA INFINITE SPIRIT LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**27. Share based payments**

During the year, on 24 November 2021, the Board established the Athena Infinite Spirit Limited Global Share Option Plan. Under the rules of the approved EMI scheme, share options will be granted over up to 1,770 ordinary shares, which represent approximately 17.7% of the currently issued share capital of the Company (10,000 ordinary shares). Options will be granted over shares held by existing shareholders. During the year options were awarded to 10 employees of the Company. The

vesting conditions and therefore the exercise of the options are conditional on an exit event taking place involving the Company - this includes a Trade Sale, Share Sale or IPO. The options will expire on the tenth anniversary of the option being granted and will also lapse if the individual ceases to be an employee of the Group. Given that the vesting conditions are associated with an exit event taking place and as at year end an exit event was not deemed probable, no share based payment charge has been recognised.

	Weighted average exercise price (pence) 2021	Number 2021	Weighted average exercise price (pence) 2020	Number 2020
Granted during the year	100	1,475	0	-
Outstanding at the end of the year	100	1,475		-

	2021 £	2020 £
Equity-settled schemes	1	-
	1	-

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ATHENA INFINITE SPIRIT LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**28. Business combinations**

On 3 August 2021, the Group obtained control of K2 Corporate Mobility LLC ("K2 USA") through the purchase of 100% share capital of the company, for total consideration comprising 2,118 shares in the Company. K2 USA's principal activity is that of corporate location consistent with the rest of the Group. The completion of the transaction marked the finalisation of the Group's reconstruction.

**Acquisition of K2 Corporate Mobility LLC**

**Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £	Fair value adjustments £	Fair value £
<b>Fixed Assets</b>			
Tangible	5,859	-	5,859
	<u>5,859</u>	<u>-</u>	<u>5,859</u>
<b>Current Assets</b>			
Work in progress	1,221,474	-	1,221,474
Debtors	4,190,194	-	4,190,194
Cash at bank and in hand	4,079,911	-	4,079,911
<b>Total Assets</b>	<u>9,497,438</u>	<u>-</u>	<u>9,497,438</u>
<b>Creditors</b>			
Due within one year	(9,902,724)	-	(9,902,724)
<b>Total Identifiable net liabilities</b>	<u>(405,286)</u>	<u>-</u>	<u>(405,286)</u>
Goodwill			4,855,286
<b>Total purchase consideration</b>			<u>4,450,000</u>
<b>Consideration</b>			
			£
Equity instruments			<u>4,450,000</u>
<b>Cash outflow on acquisition</b>			

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ATHENA INFINITE SPIRIT LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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28. Business combinations (continued)

Share consideration is represented by 2,118 shares in the Company which were issued to the shareholder of K2 USA in exchange for 100% ownership of the company. The fair value of the share consideration has been valued by a professional valuer who has determined the 2,118 shareholding in the Group to be valued at the £4,450,000.

The goodwill arising on acquisition is attributable to the anticipated value K2 USA will bring the business in terms of its future performance and profitability across the next 10 years.

The results of K2 Corporate Mobility LLC since acquisition are as follows:

	Current period since acquisition £
Turnover	7,102,355
Profit for the period since acquisition	275,543

29. Prior year adjustment

The restatement of the financial statements has been undertaken to merger account for the group reconstruction involving the acquisition of K2 Advisory DMCC as explained more fully in note 2.2.

30. Commitments under operating leases

At 31 December 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	Group 2020 £
Not later than 1 year	244,339	63,025
Later than 1 year and not later than 5 years	1,486,553	1,292,628
Later than 5 years	-	153,884
	<u>1,730,892</u>	<u>1,509,537</u>

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## ATHENA INFINITE SPIRIT LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 31. Related party transactions

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

As disclosed in note 15, certain entities are not wholly owned and therefore transactions between the Company and these entities require disclosure. During the year, non-wholly owned group companies were also recharged central costs totalling £527,414 (2020 - £256,087). At the year end a net balance is owed to the Company of £528,971 (2020 - £256,087) which consists of £Nil being owed by the Company (2020 - £Nil) and £538,971 (2020 - £256,087) being owed to the Company. All year end balances are unsecured, interest free, and repayable on demand.

#### Transactions with related entities

During the year companies formerly under common control became wholly owned subsidiaries of the Group. As a result, transactions and balances with these entities no longer require disclosure under s33 of FRS 102. On the basis that K2 Dubai has been accounted for under merger accounting rules, the comparatives have been restated to remove the transactions with, and balances owed to/from K2 Dubai, on the basis that this entity is deemed to have formed part of the Group in the comparative period. The 2020 figures have been restated to show only K2 USA's balances on the basis that this entity was accounted for under acquisition accounting rules and therefore has only been part of the Group structure since 3 August 2021.

During the year transactions with companies under common control totalled £Nil (2020 restated - £11,203,999), consisting of amounts received of £Nil (2020 restated - £5,772,841 and amounts paid of £Nil (2020 restated - £5,431,098). 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 £Nil (2020 restated - £1,219,055). At the year end a net balance is owed to the Group of £Nil (2020 restated - £2,668,107) which consists of £Nil being owed by the Group (2020 restated - £451,159) and £Nil (2020 restated - £3,119,266) being owed to the Group. All year end balances are unsecured, interest free, and repayable on demand.

#### 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 £1,283,971 (2020 - £897,230). Drawings were also taken by an individuals who are shareholders and directors of the Company of £Nil (2020 - £424,346). At the year end a total of £Nil (2020 - £Nil) was owed to the Group by shareholders and directors. £51,651 (£51,621) was owed to these individuals by the Group. During the year the Group purchased services from businesses owned by close family members of key management personnel, totalling £95,000.

During the year, £500,000 (2020 - £449,948) was declared and paid as a dividend to the shareholders of the Company.

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ATHENA INFINITE SPIRIT LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**32. Post balance sheet events**

On 20 May 2022, the Company paid a dividend of £100,000 to the shareholders of the Company.

This dividend was paid prior to the identification of the matter described in the Directors' report, and will be corrected by way of an additional dividend being paid to the Company from its subsidiaries to increase its distributable reserves to a positive position.

**33. Controlling party**

The directors do not consider there to be an ultimate controlling party.