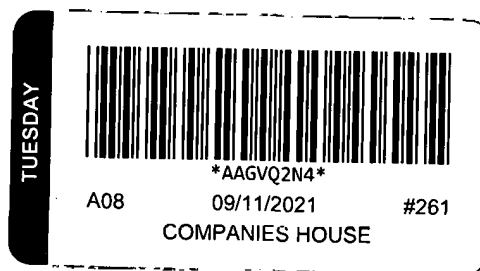


ATHENA INFINITE SPIRIT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



ATHENA INFINITE SPIRIT LIMITED

COMPANY INFORMATION

Directors

N J Plummer
P E Hunt
A Seear
R J McFarland
R C Nunes
A J Hayward (appointed 23 July 2020)
J Wakeham (appointed 23 July 2020)

Registered number

11555770

Registered office

25 Moorgate
London
EC2R 6AY

Independent auditors

Nexia Smith & Williamson
Statutory Auditor & Chartered Accountants
25 Moorgate
London
EC2R 6AY

ATHENA INFINITE SPIRIT LIMITED

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ATHENA INFINITE SPIRIT LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Introduction

The Directors present the Group Strategic Report and financial statements for Athena Infinite Spirit Limited for the year ended 31 December 2020. The group headed by Athena Infinite Spirit Limited ("the parent company") is referred to in these financial statements as the Group but in the Strategic report is referred to as the K2 Group.

Business review and principal activities

Athena Infinite Spirit Limited was incorporated on 6 September 2018. On 2 July 2019, the Company issued ordinary shares as consideration for the acquisition of the entire share capital of K2 Group Moving Systems Limited. As this transaction constitutes a group reconstruction it 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 has always been part of the K2 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. The acquisition resulted in the issue of 1,660 ordinary shares in the Company. This transaction also led to K2 Corporate Moving Systems Pty Ltd, A wholly owned subsidiary of K2 Singapore registered in Australia, joining the K2 Group.

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

On 31 July 2020, the Company acquired 100% of the issued share capital in K2 Corporate Mobility (Hong Kong) Limited, a company registered in Hong Kong. The acquisition resulted in the issue of 1 ordinary share in the Company. All the transactions in 2020 were deemed to constitute a group reconstruction and were accounted for using merger accounting principles. See note 2.2 for further details.

The principal activity of the K2 Group in the year under review was that of a relocation management firm with a global network of K2 businesses in 11 locations across 9 countries. K2 Corporate Mobility is well regarded in the corporate mobility sector as a leading provider of global mobility services with service excellence and agility at its core.

The Athena Infinite Spirit Board of Directors are pleased to report the period ending December 2020 has delivered total revenues of £27.5m (2019: £27.6m). This represents a consistent level with 2019 on a like for like basis which is an industry trend-bucking performance given the backdrop of the global pandemic, COVID-19 which has undoubtedly had a dramatic impact on businesses around the world.

This strong performance has been delivered in contrast to many in the wider global mobility industry where a downturn in business and management restructures have been seen. This in turn resulted in a pre-tax profit of £2.0m (2019: £1.7m) and net return of 7.3% (2019: 6.2%). The Balance Sheet also continued to strengthen with strong cash reserves of £7.0m (2019: £4.5m) and a tangible net worth of £7.1m (2019: £5.8m) providing the Group with high levels of liquidity for both daily operations and future investments.

Like all businesses, the K2 Group did of course experience some impact resulting from the COVID-19 pandemic during 2020. The restrictions in freight management, shipping and air travel that were imposed around the world caused significant business difficulties, risks and uncertainties. However, although underlying revenues were reduced across the K2 Group, senior leadership took effective proactive measures to ensure this was countered by a number of key new global client engagements which were successfully onboarded throughout 2020 within the confines of international government pandemic guidelines. This enabled the Group to achieve revenues in line with the prior year, a significant achievement in such unprecedented challenge both societally and economically. Further potential new clients were identified in the latter stages of 2020 and actions were taken to ensure the K2 Group had sufficient resources to deliver and maintain service levels.

ATHENA INFINITE SPIRIT LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Business review (continued)

K2 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 2020, K2 Group renewed all contracts with key global clients and continued its proud tradition of retaining clients based on exceptional service delivery and agility.

K2 Group's technology strategy to develop innovative and insightful client and assignee solutions is aligned with the continued inclusion in the HMRC Research & Development tax credit programme. This business model enables K2 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 K2 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 global K2 offices and territories ensuring all legal and regulatory standards are met and exceeded in every K2 Group location.

Principal risks and uncertainties

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

Currency risk

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

Interest rate risk

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

Credit risk

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

Liquidity and cashflow risk

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

The Group maintains a broad and diverse portfolio of clients, but the business still carries an element of risk if it were to lose key client accounts. As such, the Group has key strategic objectives which drive a focus on continuous improvement to ensure it consistently delivers service excellence to all clients.

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

ATHENA INFINITE SPIRIT LIMITED

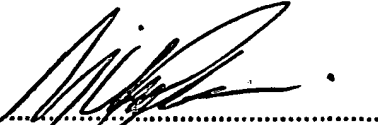
**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Financial and other key performance indicators

The main financial KPI's of the Company are Revenue, Gross Profit, Net Profit and Cash Liquidity. Group revenue was only 0.4% down on 2019 at £27.5m, which showed a steady performance compared to 2019, enabled by significant new client wins throughout the year. Gross Profit increased to £6.5m (2019: £4.9m) and Net Profit after Tax increased to £2.0m (2019: £1.7m). The increase was driven by the Group's success in renewing contracts with existing clients together with new client wins. At the year end, the Group had cash at bank and in hand of £7.0m (2019: £4.5m).

Led by our Compliance, Human Resource and Executive Leadership teams, K2 Group undertakes several internal audits, and maintains KPIs and 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 Timeliness. Management consider the Company is performing extremely well against these indicators.

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



N J Plummer
Director

Date: 3.11.2021.

ATHENA INFINITE SPIRIT LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

Results and dividends

The profit for the year, after taxation and minority interests, amounted to £1,681,986 (2019: £1,718,934).

During the year the directors declared and settled an interim dividend from the Company of £449,948 (2019: £300,006). The Directors do not recommend the payment of a final dividend (2019: £Nil).

Directors

The directors who served during the year were:

N J Plummer
P E Hunt
A Seear
N J Riley (resigned 16 April 2020)
R J McFarland
S P Bailey (resigned 13 January 2020)
R C Nunes
A J Hayward (appointed 23 July 2020)
J Wakeham (appointed 23 July 2020)

Future developments

Aligned with the Group's strategic plan Aspire and a drive for sustained growth in each international location the K2 Group continues 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 Ascent assignment management software.

Principal risks and uncertainties and financial risk management

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

ATHENA INFINITE SPIRIT LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Post balance sheet events

On 1 March 2021, the Company acquired 100% of the issued share capital in K2 Advisory DMCC a company registered in Dubai, UAE. 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, a company registered in the USA. The acquisition resulted in the issue of 2,118 ordinary shares in the Company.

On 29 January 2021, the Company paid a dividend of £500,000 to the shareholders of the Company.

Impact of COVID-19

At the time of finalising the 2020 financial statements, the world remains in the midst of a global pandemic and subject to stringent government guidelines, although the effective vaccine rollout sees restrictions lifting around the world. As previously referred, as with most companies worldwide COVID-19 has had an impact on K2 Group revenues. However, in spite of the multitude of complex challenges, thanks to clear leadership and effective and proactive decision making, business agility and frontline expertise, K2 Group has made a profit in 2020 and YTD 2021 and has sustained and grown its success within the market by renewing contracts with existing clients as well as successfully bringing in new client wins.

Engagement with employees

Leadership direction and engagement – via its internal communications function the K2 Group provides leadership direction to, and engagement with, its employees. Regular updates are provided to all employees regarding matters of importance and interest. This is driven through K2 Group and regional “town halls” in-person and virtually where senior leadership provide key updates and insights regarding strategic, commercial, service, client and financial priorities and performance. This information is also cascaded to team level via management updates at team meetings, as well as global and regional emails, and regular updates and features on the K2 intranet, Milo.

Employee voice – the views of employees are regularly sought by senior leadership as part of continuous improvement initiatives and ongoing internal communications. A particular focus has been to develop the Executive Leadership Team (ELT) made up of mid-level operational management who undertake a programme of continuous improvement work and facilitate feedback from frontline employees to senior leadership. Work to deliver on employee feedback via employee surveys is also factored into annual leadership plans and overseen by HR and internal communications.

Values, culture and service excellence – central to the work of the ELT, HR and internal communications function is a focus on developing what it means to be a “K2 citizen” and how we do things the “K2 way”. Events such as K2 Talks and training initiatives such as “Back 2 Basics” and “Changing the Conversation” in-house learning series focus on such issues and also wider best practice, compliance and industry issues. Our global social committee also run annual activities to support global awareness initiatives linked to diversity and inclusion, cultural identity, CSR and fundraising initiatives and sustainability drives.

Employee share scheme - a proposal to implement a scheme is in advanced stages to further incentivise and encourage employee buy-in and involvement in developing trading and service performance as well as employee loyalty and retention.

ATHENA INFINITE SPIRIT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Disclosure of information to auditors

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

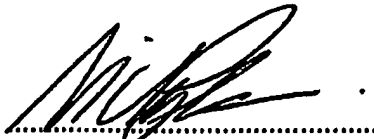
- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the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

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

Auditors

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

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



N J Plummer
Director

Date: 3.11.2021

ATHENA INFINITE SPIRIT LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ATHENA INFINITE SPIRIT LIMITED

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

Opinion

We have audited the financial statements of Athena Infinite Spirit Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated statement of comprehensive income, Consolidated and Company balance sheets, Consolidated and Company statement of changes in equity, Consolidated statement of cash flows, Consolidated analysis of net debt and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

ATHENA INFINITE SPIRIT LIMITED

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

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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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:

- Testing revenue transactions to underlying documentation; and
- Testing of a sample of manual journal entries, selected through applying specific risk assessments applied

ATHENA INFINITE SPIRIT LIMITED

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

based on the Group and parent company's processes and controls surrounding manual journal entries.

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

Use of our report

This report is made solely to the parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nexia Smith & Williamson

Timothy Adams (Senior statutory auditor)

for and on behalf of

Nexia Smith & Williamson

Statutory Auditor

Chartered Accountants

25 Moorgate

London

EC2R 6AY

Date:

04/11/2021

ATHENA INFINITE SPIRIT LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	As restated 2019 £
Turnover	4	27,531,361	27,644,769
Cost of sales		(16,734,047)	(17,840,245)
Gross profit		10,797,314	9,804,524
Administrative expenses		(10,531,931)	(9,776,721)
Other operating income	5	1,683,319	1,678,948
Operating profit	6	1,948,702	1,706,751
Interest receivable and similar income	10	24,540	10,700
Interest payable and expenses		(8,939)	(9,158)
Profit before taxation		1,964,303	1,708,293
Tax on profit	11	(185,827)	22,835
Profit for the financial year		1,778,476	1,731,128
Profit for the year attributable to:			
Non-controlling interests		96,490	12,194
Owners of the parent Company		1,681,986	1,718,934
		1,778,476	1,731,128
Total comprehensive income for the year attributable to:			
Non-controlling interest		96,490	12,194
Owners of the parent Company		1,681,986	1,718,934
		1,778,476	1,731,128

There was no other comprehensive income for 2020 (2019: £Nil).

The notes on pages 21 to 44 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED
REGISTERED NUMBER: 11555770

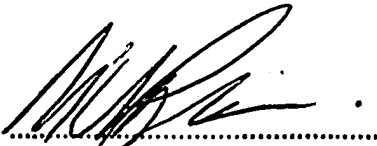
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	As restated 2019 £
Fixed assets			
Intangible assets	12	1,289,191	1,350,247
Tangible assets	13	256,895	309,441
		<u>1,546,086</u>	<u>1,659,688</u>
Current assets			
Work in progress	15	774,477	323,862
Debtors: amounts falling due within one year	16	12,066,191	9,029,089
Cash at bank and in hand	17	6,942,649	4,471,170
		<u>19,783,317</u>	<u>13,824,121</u>
Creditors: amounts falling due within one year	18	(11,482,951)	(8,256,654)
Net current assets		<u>8,300,366</u>	<u>5,567,467</u>
Total assets less current liabilities		<u>9,846,452</u>	<u>7,227,155</u>
Creditors: amounts falling due after more than one year	19	(1,504,130)	(14,859)
Provisions for liabilities			
Other provisions	22	(12,499)	(12,499)
		<u>(12,499)</u>	<u>(12,499)</u>
Net assets		<u><u>8,329,823</u></u>	<u><u>7,199,797</u></u>
Capital and reserves			
Called up share capital	23	7,881	5,144
Profit and loss account	24	8,158,949	7,128,150
Equity attributable to owners of the parent Company		<u>8,166,830</u>	<u>7,133,294</u>
Non-controlling interests		162,993	66,503
Shareholders' funds		<u><u>8,329,823</u></u>	<u><u>7,199,797</u></u>

ATHENA INFINITE SPIRIT LIMITED
REGISTERED NUMBER: 11555770

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

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



N J Plummer
Director

Date: 3.11.2021

The notes on pages 21 to 44 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED
REGISTERED NUMBER: 11555770

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	As restated 2019 £
Fixed assets			
Investments	14	7,881	7,881
		<u>7,881</u>	<u>7,881</u>
Current assets			
Debtors: amounts falling due within one year	16	1,689,172	-
Cash at bank and in hand	17	4,255	-
		<u>1,693,427</u>	<u>-</u>
Creditors: amounts falling due within one year	18	(1,734,983)	(2,737)
Net current liabilities		<u>(41,556)</u>	<u>(2,737)</u>
Total assets less current liabilities		<u>(33,675)</u>	<u>5,144</u>
Net (liabilities)/assets		<u><u>(33,675)</u></u>	<u><u>5,144</u></u>
Capital and reserves			
Called up share capital	23	7,881	5,144
Profit for the year		408,392	300,060
Dividends		(449,948)	(300,060)
Profit and loss account carried forward		(41,556)	-
Shareholders' funds		<u><u>(33,675)</u></u>	<u><u>5,144</u></u>

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss in these financial statements. The profit after tax of the Company for the year was £408,392 (2019: £300,060).

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


 N J Plummer
 Director

3.11.2021

Date:

The notes on pages 21 to 44 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
At 1 January 2020	5,144	7,128,150	7,133,294	66,503	7,199,797
Comprehensive income for the year					
Profit for the year	-	1,681,986	1,681,986	96,490	1,778,476
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	1,681,986	1,681,986	96,490	1,778,476
Dividends: Equity capital	-	(651,187)	(651,187)	-	(651,187)
Shares issued during the year	2,737	-	2,737	-	2,737
Total transactions with owners	2,737	(651,187)	(648,450)	-	(648,450)
At 31 December 2020	7,881	8,158,949	8,166,830	162,993	8,329,823

The notes on pages 21 to 44 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED

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

	Called up share capital £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
At 1 January 2019	2	5,711,737	5,711,739	54,309	5,766,048
Comprehensive income for the year					
Profit for the year	-	1,718,934	1,718,934	12,194	1,731,128
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	1,718,934	1,718,934	12,194	1,731,128
Dividends: Equity capital	-	(302,521)	(302,521)	-	(302,521)
Shares issued during the year	5,142	-	5,142	-	5,142
Total transactions with owners	5,142	(302,521)	(297,379)	-	(297,379)
At 31 December 2019	5,144	7,128,150	7,133,294	66,503	7,199,797

The notes on pages 21 to 44 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2019	2	-	2
Comprehensive income for the year			
Profit for the year	-	300,060	300,060
Contributions by and distributions to owners			
Dividends: Equity capital	-	(300,060)	(300,060)
Shares issued during the year	5,142	-	5,142
Total transactions with owners	5,142	(300,060)	(294,918)
At 1 January 2020	5,144	-	5,144
Comprehensive income for the year			
Profit for the year	-	408,392	408,392
Total comprehensive income for the year	-	408,392	408,392
Contributions by and distributions to owners			
Dividends: Equity capital	-	(449,948)	(449,948)
Shares issued during the year	2,737	-	2,737
Total transactions with owners	2,737	(449,948)	(447,211)
At 31 December 2020	7,881	(41,556)	(33,675)

The notes on pages 21 to 44 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS (RESTATED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
Cash flows from operating activities		
Profit for the financial year	1,778,476	1,731,128
Adjustments for:		
Amortisation of intangible assets	486,267	482,634
Depreciation of tangible assets	128,268	30,029
Interest paid	8,939	9,158
Interest received	(24,540)	(10,700)
Taxation charge	185,827	(22,835)
Increase in work in progress	(450,615)	(12,774)
Increase in debtors	(3,087,557)	(1,181,999)
Increase in creditors	3,037,568	607,533
Corporation tax paid	(135,372)	(116,850)
Net cash generated from operating activities	<u>1,927,261</u>	<u>1,515,324</u>
Cash flows from investing activities		
Purchase of intangible fixed assets	(425,211)	(392,601)
Purchase of tangible fixed assets	(75,244)	(58,559)
Interest received	24,540	10,700
Net cash from investing activities	<u>(475,915)</u>	<u>(440,460)</u>
Cash flows from financing activities		
New secured loans	2,000,000	600,000
Repayment of loans	(600,000)	-
Dividends paid	(449,948)	(300,060)
Interest paid	(8,939)	(9,158)
Net cash used in financing activities	<u>941,113</u>	<u>290,782</u>
Net increase in cash and cash equivalents	<u>2,392,459</u>	<u>1,365,646</u>
Cash and cash equivalents at beginning of year	4,471,170	3,105,524
Cash and cash equivalents at the end of year	<u><u>6,863,629</u></u>	<u><u>4,471,170</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	6,942,649	4,471,170
Bank overdrafts	(79,020)	-
	<u><u>6,863,629</u></u>	<u><u>4,471,170</u></u>

ATHENA INFINITE SPIRIT LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	4,471,170	2,471,479	6,942,649
Bank overdrafts	-	(79,020)	(79,020)
Debt due after 1 year	-	(1,504,130)	(1,504,130)
Debt due within 1 year	(602,737)	(150,585)	(753,322)
	<u>3,868,433</u>	<u>737,744</u>	<u>4,606,177</u>

The notes on pages 21 to 44 form part of these financial statements.

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

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

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

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

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

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

The following principal accounting policies have been applied:

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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.

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

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

Following the group reconstruction undertaken in 2019, the results and cash flows of all the combining entities were also brought into the group financial statements from 1 January 2019. No adjustments were required to achieve uniformity of accounting policies with FRS 102. The comparative information includes the total comprehensive income and Balance Sheet for all the combining entities for the previous reporting period (2018). Similarly, following the further group reconstruction events which took place in 2020, the results and cash flows of all four new entities were also brought into the Group on the same basis. The comparative information includes the total comprehensive income and Balance Sheet for all these new entities for the 2019 reporting period and has been restated to show the group as if they were always included.

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 Corporate Moving Systems Pte. Ltd and K2 Corporate Moving Systems Pty Ltd resulted in no change to the relative rights of the shareholders, and on this basis merger accounting was able to be applied. However the introduction of K2 Moving Systems Scandinavia AB and then K2 Corporate Mobility (Hong Kong) Ltd 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, during 2020. 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.

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. No business combinations effected in 2019 or 2020 have been accounted for using these concepts.

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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 K2 Group Moving Systems Limited 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 2020, additional members of the wider K2 network owned directly by the shareholders of the Group, were acquired. The same process as above was applied 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.

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.4 Going concern

As at 31 December 2020, the Group had net assets of £8.3m (2019: £7.2m) and generated a profit before tax of £2.0m (2019: £1.7m). In addition, the Group had a consistent level of revenue compared to the prior year, delivered a strong net profit (up 18% to £2.0m) despite a challenging year and had a year end cash balance of £7.0m (2019: £4.5m).

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

Like all companies, COVID-19 has had an impact on the Group with reduced activity levels. However, in spite of the challenges, the Group has made a profit in the YTD 2021 and has continued its success within the market in renewing contracts with existing clients together with new client wins.

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

2.5 Revenue

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

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

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

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

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.6 Research and development

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

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

2.7 Intangible assets

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

Software and development costs

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

Goodwill

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

2.8 Tangible fixed assets

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

Depreciation is provided on the following basis:

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

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

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

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 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.

2.11 Debtors

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

2.12 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.

2.13 Financial instruments

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

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

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

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

Debt instruments, including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.14 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.

2.15 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.

2.16 Operating leases

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

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

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.17 Pensions

Defined contribution pension plan

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

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

2.18 Interest income

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

2.19 Provisions for liabilities

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

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

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

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.20 Current and deferred taxation

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

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

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

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

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

2.21 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.

2.22 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 2.12.

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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 £5,791,631 (2019: £5,391,550) 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 2020 was £16,683 (2019: £8,759).

Impairment of amounts owed by related entities

The recoverability of amounts owed by related entities of £3,252,129 (2019: £1,605,262) require judgment as to whether the future profitability of these entities will generate sufficient capital to repay the debts. Having regard to the 2020 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:

	2020 £	2019 £
United Kingdom	10,344,048	9,802,244
Rest of Europe	5,861,642	7,204,849
Rest of the world	11,325,671	10,637,676
	<u>27,531,361</u>	<u>27,644,769</u>

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. Other operating income

	2020 £	2019 £
Recharges from parent entity	906,574	424
Government grants receivable	307,352	-
Amounts charged to related entities in respect of central costs	469,393	1,678,524
	<u>1,683,319</u>	<u>1,678,948</u>

6. Operating profit

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

	2020 £	2019 £
Impairment of trade debtors	4,674	(14,543)
Exchange differences	(31,481)	426,313
Other operating lease rentals	196,558	201,940
	<u>169,751</u>	<u>613,710</u>

7. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	58,200	42,450
	<u>58,200</u>	<u>42,450</u>

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8. Employees

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

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	6,204,269	4,999,030	1,709,609	-
Social security costs	698,395	443,359	200,382	-
Cost of defined contribution scheme	324,478	250,161	134,462	-
	<u>7,227,142</u>	<u>5,692,550</u>	<u>2,044,453</u>	<u>-</u>

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

	Group 2020 No.	Group 2019 No.	Company 2020 No.	Company 2019 No.
Management	18	16	9	-
Sales and marketing	4	4	1	-
Operations	89	71	3	-
Administration and finance	23	22	15	-
	<u>134</u>	<u>113</u>	<u>28</u>	<u>0</u>

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

9. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	568,825	-
Company contributions to defined contribution pension schemes	45,981	-
	<u>614,806</u>	<u>-</u>

During the year retirement benefits were accruing to 7 directors (2019: none) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £170,400 (2019: £Nil).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £3,084 (2019: £Nil).

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. Interest receivable

	2020 £	2019 £
Bank interest receivable	24,540	10,700
	<u>24,540</u>	<u>10,700</u>

11. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	176,023	57,999
	<u>176,023</u>	<u>57,999</u>
Total current tax	<u>176,023</u>	<u>57,999</u>
Deferred tax		
Origination and reversal of timing differences	9,804	(80,834)
Total deferred tax	<u>9,804</u>	<u>(80,834)</u>
Taxation on profit/(loss) on ordinary activities	<u>185,827</u>	<u>(22,835)</u>

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	1,964,303	1,708,293
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	373,218	324,576
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(8,013)	(9,190)
Fixed asset differences	(34,662)	75,278
Adjustment to tax charge in respect of prior periods	(122,771)	-
Adjustment in research and development tax credit leading to a decrease in tax charge	-	(452,759)
Change in provisions	-	(9,305)
Changes in tax rate	-	8,895
Deferred tax asset not recognised	-	2,125
Other permanent differences	-	219
Differences in tax rates	(21,945)	37,326
Total tax charge for the year	185,827	(22,835)

Factors that may affect future tax charges

The Finance Bill 2021 includes legislation to increase the main rate of corporation tax from 19% to 25% from 1 April 2023. These changes are not included above as the Finance Bill 2021 was not substantively enacted by the year end.

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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12. Intangible assets

Group

	Computer software £	Goodwill £	Total £
Cost			
At 1 January 2020	1,422,515	898,683	2,321,198
Additions	425,211	-	425,211
At 31 December 2020	<u>1,847,726</u>	<u>898,683</u>	<u>2,746,409</u>
Amortisation			
At 1 January 2020	828,660	142,291	970,951
Charge for the year on owned assets	396,434	89,833	486,267
At 31 December 2020	<u>1,225,094</u>	<u>232,124</u>	<u>1,457,218</u>
Net book value			
At 31 December 2020	<u>622,632</u>	<u>666,559</u>	<u>1,289,191</u>
At 31 December 2019	<u>593,855</u>	<u>756,392</u>	<u>1,350,247</u>

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13. Tangible fixed assets

Group

	Long-term leasehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation							
At 1 January 2020	294,255	89,866	17,445	109,124	7,455	174,873	693,018
Additions	-	9,388	-	4,920	10,458	50,478	75,244
Disposals	-	-	-	(6,757)	-	(2,516)	(9,273)
At 31 December 2020	294,255	99,254	17,445	107,287	17,913	222,835	758,989
Depreciation							
At 1 January 2020	75,740	89,041	17,445	69,070	6,954	125,327	383,577
Charge for the year	76,985	3,172	-	17,179	2,953	27,979	128,268
Disposals	-	-	-	(6,564)	-	(3,187)	(9,751)
At 31 December 2020	152,725	92,213	17,445	79,685	9,907	150,119	502,094
Net book value							
At 31 December 2020	141,530	7,041	-	27,602	8,006	72,716	256,895
At 31 December 2019	218,515	825	-	40,054	501	49,546	309,441

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2020	7,881
At 31 December 2020	<u>7,881</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
K2 Corporate Mobility Limited*	25 Moorgate, London, EC2R 6AY	Ordinary	100%
Harbour HR Limited*	25 Moorgate, London, EC2R 6AY	Ordinary	100%
K2 Mobility Limited*	25 Moorgate, London, EC2R 6AY	Ordinary	100%
K2 Corporate Mobility SA (Pty) Ltd*	Somerset Links Office Park, Unit 406 - 408 Pebble Beach, De Beers Avenue, Somerset West	Ordinary	75%
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*	lvl 19 C/- HLB MANN JUDD 207 Kent St, Sydney, NSW 2000, Australia	Ordinary	100%
K2 Moving Systems Scandinavia AB	PO Box 24053, 104 51, Stockholm	Ordinary	100%
K2 Corporate Mobility (Hong Kong) Ltd	Suite 3313, Tower One, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong	Ordinary	100%

The principal activity all entities is that of relocation management. K2 Mobility Limited and K2 Corporate Mobility (Hong Kong) Ltd are dormant entities. All entities denoted with an * are indirect subsidiary undertakings.

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 2020 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 2020

15. Work in progress

	Group 2020 £	Group 2019 £
Work in progress	774,477	323,862
	<u>774,477</u>	<u>323,862</u>

16. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	5,701,631	5,391,550	-	-
Amounts owed by group undertakings	-	-	747,631	-
Amounts owed by related entities	3,252,129	1,605,262	907,054	-
Other debtors	331,710	391,411	1,000	-
Prepayments and accrued income	2,177,774	987,464	33,487	-
Tax recoverable	102,060	142,711	-	-
Deferred taxation	500,887	510,691	-	-
	<u>12,066,191</u>	<u>9,029,089</u>	<u>1,689,172</u>	<u>-</u>

17. Cash and cash equivalents

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Cash at bank and in hand	6,942,649	4,471,170	4,255	-
Less: bank overdrafts	(79,020)	-	-	-
	<u>6,863,629</u>	<u>4,471,170</u>	<u>4,255</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

18. Creditors: Amounts falling due within one year

	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Bank overdrafts	79,020	-	-	-
Bank loans	470,411	600,000	-	-
Trade creditors	2,146,541	2,761,779	-	-
Amounts owed to group entities	-	-	1,224,042	-
Amounts owed to related entities	197,414	4,178	-	-
Corporation tax	3,134	59,521	-	-
Other taxation and social security	644,055	446,455	-	-
Other creditors	1,846,077	710,180	602	2,737
Accruals and deferred income	6,096,299	3,674,541	510,339	-
	<u>11,482,951</u>	<u>8,256,654</u>	<u>1,734,983</u>	<u>2,737</u>

See note 20 for details of the Bank loans.

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

	Group 2020 £	<i>Group 2019 £</i>
Bank loans	1,504,130	-
Other creditors	-	14,859
	<u>1,504,130</u>	<u>14,859</u>

See note 20 for details of the Bank loans.

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

20. Bank loans

During 2019, the Group entered into a new loan facility with a facility limit of £1,000,000. The loan facility has an interest rate of 2.30% + LIBOR. At 31 December 2019, the Group had drawn down £600,000 of the total available facility, however this was repaid during 2020.

At 31 December 2020, Bank loans comprise a new loan facility entered into 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, K2 Corporate Mobility Limited and Harbour HR Limited in respect of this loan.

The maturity of loans is as follows:

Due within 1 year:	£470,411 (2019: £600,000)
Due within 1-2 years	£1,002,795 (2019: £Nil)
Due within 2-5 years	£501,335 (2019: £Nil)

ATHENA INFINITE SPIRIT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

21. Deferred taxation

Group

	2020 £
At beginning of year	510,691
Charged to profit or loss	(9,804)
At end of year	500,887

	Group 2020 £	Group 2019 £
Accelerated capital allowances	(134,449)	(102,933)
Tax losses carried forward	599,326	599,326
Short term timing differences	36,010	14,298
	<u>500,887</u>	<u>510,691</u>

22. Provisions

Group

	Dilapidation provision £
At 1 January 2020	12,499
At 31 December 2020	12,499

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

23. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
7,881 (2019: 5,144) Ordinary shares of £1.00 each	<u>7,881</u>	<u>5,144</u>

During the year a total of 2,737 ordinary shares with a nominal value of £1.00 were allotted in respect of the acquisitions of K2 Corporate Mobility PTE, K2 Corporate Moving Systems Pty Ltd, K2 Corporate Mobility AB, and K2 Corporate Mobility (Hong Kong) Ltd as noted in the Strategic Report.

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

24. Reserves

Profit and loss account

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

25. Commitments under operating leases

At 31 December 2020 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group As restated 2019 £
Not later than 1 year	63,025	154,460
Later than 1 year and not later than 5 years	1,292,628	34,394
Later than 5 years	153,884	-
	<u>1,509,537</u>	<u>188,854</u>

ATHENA INFINITE SPIRIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

26. Related party transactions

Transactions with key management personnel

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

Key management personnel are deemed to be related parties of the Group. Total remuneration to such personnel, including pension contributions totalled £897,230 (2019: £827,594). Drawings were also taken by an individuals who are shareholders and directors of the Company of £424,346 (2019: £75,000). At the year end a total of £Nil (2019: £25,001) was owed to the Group by shareholders and directors.

During the year, £449,948 (2019: £300,060) was declared and paid as a dividend to the shareholders of the Company.

The Company has taken advantage of the exemption in FRS 102 Section 33.1A to not disclose transactions with wholly owned group entities. 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 transactions totalled £Nil, consisting of amounts received of £Nil and amounts paid of £Nil (2019: £Nil, consisting of amounts received of £Nil and amounts paid of £Nil). These transactions represent transfers for cashflow management across the Group. During the year, non-wholly owned group companies were also recharged central costs totalling £256,087 (2019: £Nil). At the year end a net balance is owed to the Company of £256,087 (2019: £Nil) which consists of £Nil being owed by the Company (2019: £Nil) and £256,087 (2019: £Nil) being owed to the Company. All year end balances are unsecured, interest free, and repayable on demand.

Transactions with related entities

During the year transactions with companies under common control totalled £12,440,273, consisting of amounts received of £6,581,996 and amounts paid of £5,858,277. 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 £1,360,753 (2019: £1,679,642). At the year end a net balance is owed to the Group of £3,054,715 (2019: £1,601,814) which consists of £197,414 being owed by the Group (2019: £4,178) and £3,252,129 (2019: £1,605,262) being owed to the Group. All year end balances are unsecured, interest free, and repayable on demand.

27. Post balance sheet events

On 1 March 2021, the Company acquired 100% of the issued share capital in K2 Advisory DMCC, 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, a company registered in USA. The acquisition resulted in the issue of 2,118 ordinary shares in the Company.

On 29 January 2021, the Company paid a dividend of £500,000 to the shareholders of the Company

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28. Controlling party

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