

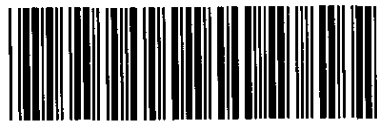
Registered number: 01531949

**FIERA REAL ESTATE UK LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**FIERA REAL ESTATE UK LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	R J S Palmer A D W Price J Valentini M Sperber (appointed 28 May 2020) R Dansereau (appointed 31 March 2021)
<b>Registered number</b>	01531949
<b>Registered office</b>	Third Floor Queensberry House 3 Old Burlington Street London W1S 3AE
<b>Independent auditor</b>	Deloitte LLP 1 New Street Square London EC4A 3HQ

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**FIERA REAL ESTATE UK LIMITED**

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## FIERA REAL ESTATE UK LIMITED

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### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Introduction

The directors present their strategic report for the year ended 31 December 2020.

#### Business review

The year ended 31 December 2020 continued to see good progress across the Group in both our investment management activities and in our asset management activities, both directly and via our minority ownership of UK property companies, despite the impact of Covid 19 across most of the year.

The initial part of the year was dominated by the onset of the global pandemic and a switch to remote working. Despite the challenge of a sudden need to work from home, the business transition was remarkably smooth with little loss of output. Thereafter, the year was largely dominated by the focus on working with customers across all the buildings we asset manage, to support them through challenging times for some. Alongside this, we focused on people, both our colleagues and our investors, to ensure they were fully kept in the loop of the activities of the business.

The year was tough for raising new capital, and as a result the investment management business reduced slightly during the year, with assets under management decreasing to £739m (2019: £816m). The asset management group performed well, both the in-house team within Fiera Real Estate UK Limited and each of the property companies we back.

#### Future developments

As we recover from Covid 19, the focus is to grow profitability and assets under management, whilst continuing to integrate with the wider Fiera Real Estate business in Canada.

#### Financial key performance indicators

Revenue decreased slightly on an annualised basis to £5.2m (2019 annualised: £6.1m) due largely to an absence of any significant transaction fees arising in the year. Share of profits from Joint Ventures decreased on an annualised basis to £4.6m (2019 annualised: £5.7m) due to fewer highly profitable deals coming to fruition during 2020 compared to the prior period. The Group achieved a gross profit of £5.2m (2019 annualised: £5.9m). The results for the year are shown in the Consolidated Profit and Loss account on page 13.

#### Principal risks and uncertainties

There are a range of risks and uncertainties faced by the Group. Risks arise from external sources as well as from those inherent commercial issues that exist within the business environment in which we operate. In addition, operational risks contained in the systems and processes employed within the business are a source of risk.

Amongst the major risks to the business strategy is the loss of assets under management by the Group due to markets falling, poor investment performance leading to the loss of mandates or the reduction in market liquidity making sales more difficult. These events would have an immediate impact on the management fees earned by the Group and may also impact on the Group's ability to earn possible performance fees and advisory fees.

Covid 19 remains a risk to the business as significant economic uncertainty remains around the world.

On top of this the risk from a changing climate is one that the business is alive to, with a dedicated in-house resource hired in 2020 to support our desire to be a responsible and resilient owner of real estate assets.

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## FIERA REAL ESTATE UK LIMITED

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

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#### **Litigation risks**

There is always a risk of litigation from clients, employees, and other parties although the board believe that we have appropriate procedures in the Group, along with external legal advice, to reduce the likelihood of this happening. There are no known actual or potential claims across the Group and all of the directors take an active role in overseeing the activity of the Group to ensure that this risk is minimised.

#### **Market conditions**

The board manages the Group in a manner that aims to minimise the potential downside from a market deterioration whilst allowing for potential to be unlocked from growth.

#### **Regulatory risks**

The board monitors its regulatory obligations and compliance remains a key issue for the Group. The Group focuses on staff training, good external advice and having robust processes in place to mitigate the risk of failing to meet the regulatory standard.

#### **Property specific risks**

Each of the assets that are owned or managed by the group, both in its own balance sheet and through third party mandates, are managed by a dedicated team. Assets held by joint ventures and funds are managed by a one of the operating partners (in which the Company holds an associate interest), together with the management of the Company. Each asset is reviewed by the board on a quarterly basis and asset management plans adjusted as required. The board believe that this risk is mitigated through an active and rigorous management.

#### **Financial risk**

The Group is exposed to a range financial risks including the effects of changes in interest rates, on debt, liquidity risk and credit risk. The majority of financial instruments held do not feature variable interest rates that are sensitive to interest rate fluctuations to a material degree. The Group's principal currency is Sterling and it often holds large amounts of cash on deposit as a result of its activities. It aims at all times to manage these risks by a robust diligence process when selecting financial partners and instruments, and ongoing monitoring of the risks on a regular basis.

#### **Going concern**

The Group has net assets of £19.5m (2019: £26.8m) as at the balance sheet date. Management have considered the risk indicators arising from the COVID-19 pandemic and reviewed multiple scenarios to assess the range of potential impacts on liquidity and the Group's ability to continue as a going concern. Management's conclusion is that, although operating profits may be reduced by the market conditions in the first part of 2021, there are sufficient financial resources available within the Group to enable the Group to continue as a going concern.

The Group has cash holdings at the balance sheet date of £3.5m (2019: £10.6m), although that increased to £11.5m immediately after the balance sheet date due to the recovery of an amount owed by an entity within the ultimate parent entity's wider group. The underlying running costs of the Group are approximately £6.0m per annum excluding variable compensation. The Group could therefore continue to trade for the next two years in the absence of any turnover or cost reductions. This would be an unlikely event given that the Group has a number of fixed term management contracts from which it receives revenue.

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**FIERA REAL ESTATE UK LIMITED**

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

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From an operational perspective, the Group retains a strong operational base. It has successfully implemented its business continuity plan and all staff have been working effectively throughout the development of the pandemic and have been carrying out their duties remotely since early March 2020. Whilst these changes have caused the Group to assess and adapt its working practices to continue to operate without interruption, the directors do not consider that the circumstances have caused any material change to the Group's ability to trade, nor affect its status as a going concern.

**Post year end and ongoing market risk**

Subsequent to the balance sheet date, the UK Government vaccination programme continues to reduce the impact of Covid 19 on the UK economy, with a rapid rise in GDP forecast for 2021. This helps to create a more favourable business environment and gives continued confidence for the future.

The directors also believe the United Kingdom's withdrawal from European Union will not have a material impact on the Group.

This report was approved by the board on 13th August 2021 and signed on its behalf.

**A D W Price**  
Director



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## FIERA REAL ESTATE UK LIMITED

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

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

#### Principal activities

The principal activities of the Group continued to be that of fund management and venture capital specialising in the property sector.

On 6 January 2020, the Company changed its name to Fiera Real Estate UK Limited from Palmer Capital Partners Limited.

*Last year the Company changed its financial year end date from 31 March to 31 December to align it with its parent's year end. The comparative amounts of the Company and Group presented in these financial statements thus reflect 9 months period from 1 April 2019 to 31 December 2019. The financial statements for the current period are for 12 months made up from 1 January 2020 to 31 December 2020. Consequently, comparative amounts for the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and related notes are not entirely comparable.*

#### Results and dividends

The Group profit for the year, after taxation and minority interests, amounted to £4,159,667 (2019: £3,230,924).

Interim dividend of £11,422,500 was paid during the year (2019: £nil).

The directors did not recommended the payment of a final dividend (2019: £5,000,000).

#### Directors

The directors who served during the period and up to the date of signing were:

R J S Palmer  
A D W Price  
P Cuthbert (resigned 31 March 2021)  
J Valentini  
M Sperber (appointed 28 May 2020)  
R Dansereau (appointed 31 March 2021)

#### Political contributions

There were no political donations made during the year (2019: £nil) by the Group or Company.

#### Matters covered in the strategic report

Information on the future developments, going concern, post period end events and risk management of the Group is included in the Strategic Report. Information on financial instruments, financial risk management and exposure is given in note 30 of the financial statements.

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## FIERA REAL ESTATE UK LIMITED

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

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#### Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' report and the consolidated and company financial statements, in accordance with applicable law and regulations.

Company law requires the directors to prepare consolidated and company financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Under company law the directors must not approve financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing the consolidated and company financial statements, the directors are required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Group's and Company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the consolidated and company financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of consolidated and company financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

#### Disclosure of information to the 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.

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**FIERA REAL ESTATE UK LIMITED**

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

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**Auditor**

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

This report was approved by the board on 13th August 2021 and signed on its behalf.

**A D W Price**  
Director



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## FIERA REAL ESTATE UK LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIERA REAL ESTATE UK LIMITED

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#### Report on the audit of the financial statements

##### Opinion

In our opinion the financial statements of Fiera Real Estate UK Limited (the 'parent company') and its subsidiaries (the 'group'):

- 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 consolidated statement of profit or loss and other comprehensive income for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated statement of profit or loss and other comprehensive income;
- the consolidated and parent company financial position;
- the consolidated and parent company statements of changes in equity;
- the consolidated and parent company cash flow statement; and
- the related notes 1 to 35.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions 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 the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and 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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## FIERA REAL ESTATE UK LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIERA REAL ESTATE UK LIMITED (CONTINUED)

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#### Other information

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

#### Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the 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.

#### Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

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## FIERA REAL ESTATE UK LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIERA REAL ESTATE UK LIMITED (CONTINUED)

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We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

- Risk that the recording of fund priority profit share revenue is overstated if the revenue has been recognised for services that have not been provided ("occurrence"), as a result of the use of incorrect or non-existent clauses in respective Assets Under Management ("AUM") agreements. In response to the risk, the specific procedures we performed were: [1] Perform design and implementation testing of relevant controls in relation to fund priority profit share revenue stream. [2] For a sample of priority profit share revenue transactions perform tests of details to assess the occurrence and arithmetic accuracy of these transactions by agreeing to supporting AUM contracts and also tracing the respective transactions to bank statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and internal legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

#### **Report on other legal and regulatory requirements**

#### **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.

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

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FIERA REAL ESTATE UK LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIERA REAL ESTATE UK LIMITED  
(CONTINUED)

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**Matters on which we are required to report by exception**


Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

**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.

DocuSigned by:  
  
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Philip Doherty, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP  
Statutory Auditor  
London

Date: 18 August 2021 | 20:20:55 BST

FIERA REAL ESTATE UK LIMITED

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

		Year ended 31 December 2020 £	Period ended 31 December 2019 £
	Note		
<b>Revenue</b>	7	5,193,729	4,549,295
Cost of sales		-	(96,468)
<b>Gross profit</b>		5,193,729	4,452,827
Administrative expenses		(6,695,949)	(5,307,904)
<b>Operating loss for the year/period</b>	8	(1,502,220)	(855,077)
Finance income	9	51,078	132,109
Finance expense	9	202,178	(2,433)
Share of results of associates	19	169,454	-
Share of results of joint ventures	20	4,589,757	4,266,301
Other income	10	1,020,017	22,117
Other gains	11	463,426	82,464
<b>Profit before tax for the year/period</b>		4,993,690	3,645,481
Tax expense	15	(770,450)	(381,699)
<b>Profit for the year/period</b>		4,223,240	3,263,782
<b>Total comprehensive income</b>		4,223,240	3,263,782
<b>Profit for the period/year and total comprehensive income attributable to:</b>			
Owners of the parent		4,159,667	3,230,924
Non-controlling interest	29, 34	63,573	32,858
		4,223,240	3,263,782

Turnover and operating loss are all derived from continuing operations.

The notes on pages 26 to 88 form part of these financial statements.

FIERA REAL ESTATE UK LIMITED  
REGISTERED NUMBER: 01531949

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020

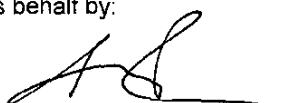
	Note	2020 £	2019 £
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	18	610,578	575,034
Right-of-use assets	26	30,280	-
Intangible assets	17	138,170	-
Investments in associates	19	358,958	309,116
Investments in joint ventures	20	5,124,817	5,675,174
Other non-current investments	21	1,312,403	1,865,752
		<u>7,575,206</u>	<u>8,425,076</u>
<b>Current assets</b>			
Trade and other receivables	23	11,479,546	11,844,006
Cash and cash equivalents	24	3,526,374	10,656,437
Corporation tax recoverable	15.2	450,960	-
		<u>15,456,880</u>	<u>22,500,443</u>
<b>Total assets</b>		<u>23,032,086</u>	<u>30,925,519</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities	26	1,780	-
Deferred tax liability	15.3	450,541	68,170
		<u>452,321</u>	<u>68,170</u>
<b>Current liabilities</b>			
Trade and other liabilities	25	3,015,793	4,001,265
Lease liabilities	26	28,500	-
Corporation tax liability	15.2	-	23,780
		<u>3,044,293</u>	<u>4,025,045</u>
<b>Total liabilities</b>		<u>3,496,614</u>	<u>4,093,215</u>
<b>Net assets</b>		<u>19,535,472</u>	<u>26,832,304</u>

FIERA REAL ESTATE UK LIMITED  
REGISTERED NUMBER: 01531949

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
<b>Issued capital and reserves attributable to owners of the parent</b>			
Share capital	27	125,000	125,000
Share premium reserve	28	2,090,502	2,213,839
Capital redemption reserve	28	1,124,547	1,124,547
Other reserve	28	71,125	296,253
Foreign exchange reserve	28	-	15,037
Retained earnings	28	16,034,960	23,057,628
		<u>19,446,134</u>	<u>26,832,304</u>
Non-controlling interest	29	89,338	-
<b>Total equity</b>		<u>19,535,472</u>	<u>26,832,304</u>

The financial statements on pages 13 to 88 were approved and authorised for issue by the board of directors and were signed on its behalf by:



**A D W Price**  
Director

Date: 13th August 2021

FIERA REAL ESTATE UK LIMITED  
REGISTERED NUMBER: 01531949

COMPANY STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	18	603,147	575,034
Investments in associates	22	231,751	231,751
Investments in joint ventures	22	2,930	2,930
Other non-current investments	22	310,091	101,054
		<u>1,147,919</u>	<u>910,769</u>
<b>Current assets</b>			
Trade and other receivables	23	18,126,674	16,896,018
Cash and cash equivalents	24	2,356,655	8,774,687
		<u>20,483,329</u>	<u>25,670,705</u>
<b>Total assets</b>		<u>21,631,248</u>	<u>26,581,474</u>
<b>Liabilities</b>			
Deferred tax liability	15.3	433,858	-
		<u>433,858</u>	<u>-</u>
<b>Current liabilities</b>			
Trade and other liabilities	25	2,520,665	3,081,453
		<u>2,520,665</u>	<u>3,081,453</u>
<b>Total liabilities</b>		<u>2,954,523</u>	<u>3,081,453</u>
<b>Net assets</b>		<u>18,676,725</u>	<u>23,500,021</u>

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FIERA REAL ESTATE UK LIMITED  
REGISTERED NUMBER: 01531949

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COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 31 DECEMBER 2020

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	Note	2020 £	2019 £
<b>Issued capital and reserves attributable to owners of the parent</b>			
Share capital	27	125,000	125,000
Share premium reserve	28	2,090,502	2,213,839
Capital redemption reserve	28	1,124,547	1,124,547
Retained earnings	28	15,336,676	20,036,635
<b>Total equity</b>		<u>18,676,725</u>	<u>23,500,021</u>

The Company's profit for the year/period was £6,722,541 (31 December 2019: £2,908,451).

The financial statements on pages 13 to 88 were approved and authorised for issue by the board of directors and were signed on its behalf by:

A D W Price  
Director



Date: 13th August 2021

FIERA REAL ESTATE UK LIMITED

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

	Share capital £	Share premium £	Capital redemption reserve £	Other reserve £	Foreign exchange reserve £	Retained earnings £	Total attributable to equity holders of parent £	Non- controlling interest £	Total equity £
<b>At 1 January 2020</b>	125,000	2,213,839	1,124,547	296,253	15,037	23,057,628	26,832,304	-	26,832,304
Profit for the year	-	-	-	-	-	4,159,667	4,159,667	63,573	4,223,240
<b>Total comprehensive income for the year</b>	-	-	-	-	-	4,159,667	4,159,667	63,573	4,223,240
<b>Contributions by and distributions to owners</b>	-	-	-	-	-	(11,422,500)	(11,422,500)	-	(11,422,500)
Dividends (note 16)	-	-	-	-	-	-	-	-	-
Fair value adjustments to fixed asset investments- net of deferred tax	-	-	-	(225,128)	-	225,128	-	-	-
Excess share disposal proceeds	-	(123,337)	-	-	-	-	(123,337)	-	(123,337)
Transfer between reserves	-	-	-	-	(15,037)	15,037	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	25,765	25,765
<b>Total contributions by and distributions to owners</b>	-	(123,337)	-	(225,128)	(15,037)	(11,182,335)	(11,545,837)	25,765	(11,520,072)
<b>At 31 December 2020</b>	125,000	2,090,502	1,124,547	71,125	-	16,034,960	19,446,134	89,338	19,535,472

The notes on pages 26 to 88 form part of these financial statements.

**FIERA REAL ESTATE UK LIMITED**

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

	Share capital £	Share premium £	Capital redemption reserve £	Other reserve £	Foreign exchange reserve £	Retained earnings £	Total attributable to equity holders of parent £	Non-controlling interest £	Total equity £
<b>At 1 April 2019</b>	123,867	1,799,508	1,123,414	2,952,373	15,037	22,170,584	28,184,783	(32,858)	28,151,925
Profit for the period	-	-	-	-	-	3,230,924	3,230,924	32,858	3,263,782
<b>Total comprehensive income for the period</b>	-	-	-	-	-	3,230,924	3,230,924	32,858	3,263,782
<b>Contributions by and distributions to owners</b>									
Dividends (note 16)	-	-	-	-	-	(5,000,000)	(5,000,000)	-	(5,000,000)
Fair value adjustments to fixed asset investments	-	-	-	(3,187,720)	-	3,187,720	-	-	-
Excess share disposal proceeds	-	123,337	-	-	-	-	123,337	-	123,337
Deferred tax movement	-	-	-	531,600	-	(531,600)	-	-	-
Shares transferred from/(to) the Employee Benefit Trust	1,133	290,994	1,133	-	-	-	293,260	-	293,260
<b>Total contributions by and distributions to owners</b>	1,133	414,331	1,133	(2,656,120)	-	(2,343,880)	(4,583,403)	-	(4,583,403)
<b>At 31 December 2019</b>	125,000	2,213,839	1,124,547	296,253	15,037	23,057,628	26,832,304	-	26,832,304

The notes on pages 26 to 88 form part of these financial statements.

**FIERA REAL ESTATE UK LIMITED**

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

	Share capital £	Share premium £	Capital redemption reserve £	Retained earnings £	Total equity £
<b>At 1 January 2020</b>	125,000	2,213,839	1,124,547	20,036,635	23,500,021
Profit for the year	-	-	-	6,722,541	6,722,541
<b>Total comprehensive income for the year</b>	-	-	-	6,722,541	6,722,541
<b>Contributions by and distributions to owners</b>					
Dividends (note 16)	-	-	-	(11,422,500)	(11,422,500)
Excess share disposal proceeds	-	(123,337)	-	-	(123,337)
<b>Total contributions by and distributions to owners</b>	-	(123,337)	-	(11,422,500)	(11,545,837)
<b>At 31 December 2020</b>	125,000	2,090,502	1,124,547	15,336,676	18,676,725

The notes on pages 26 to 88 form part of these financial statements.

FIERA REAL ESTATE UK LIMITED

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

	Share capital £	Share premium £	Capital redemption reserve £	Other reserve £	Retained earnings £	Total equity £
<b>At 1 April 2019</b>	125,000	2,090,502	1,124,547	1,381,522	20,746,662	25,468,233
Profit for the period	-	-	-	-	2,908,451	2,908,451
<b>Total comprehensive income for the year</b>	-	-	-	-	2,908,451	2,908,451
<b>Contributions by and distributions to owners</b>						
Dividends (note 16)	-	-	-	-	(5,000,000)	(5,000,000)
Realisation of fair value	-	-	-	(1,705,583)	1,705,583	-
Excess share disposal proceeds	-	123,337	-	-	-	123,337
Realisation of deferred tax	-	-	-	324,061	(324,061)	-
<b>Total contributions by and distributions to owners</b>	-	123,337	-	(1,381,522)	(3,618,478)	(4,876,663)
<b>At 31 December 2019</b>	125,000	2,213,839	1,124,547	-	20,036,635	23,500,021

The notes on pages 26 to 88 form part of these financial statements.

FIERA REAL ESTATE UK LIMITED

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

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Profit for the year/period	4,223,240	3,263,782
<b>Adjustments for</b>		
Depreciation of tangible fixed assets (note 8)	94,634	36,986
Interest and dividend income	(51,078)	(132,108)
Fair value loss on financial assets recognised in profit or loss	75,490	35,242
Interest expense (note 9)	2,987	2,433
Amortisation of intangible fixed assets	27,634	-
Loss on disposal of fixed asset investments	-	39,667
Income from fixed asset investment	(20,017)	(22,116)
Depreciation right-of-use assets (note 8)	19,595	258,047
Share of profit from associates	(169,454)	-
Share of profit from joint ventures	(4,589,757)	(4,266,301)
Loss on sale of property, plant and equipment	-	55,127
Other non-cash movements	(112)	692
Increase in amounts due to non-controlling interest	-	32,858
Income tax expense (note 15.1)	770,450	381,699
	<u>383,612</u>	<u>(313,992)</u>
<b>Movements in working capital:</b>		
(Increase)/decrease in trade and other receivables	(666,733)	446,534
(Decrease)/increase in trade and other payables	(1,133,265)	387,174
	<u>(1,416,386)</u>	<u>519,716</u>
<b>Cash generated from operations</b>	<u>(1,416,386)</u>	<u>519,716</u>
Income taxes paid	(862,819)	(1,100,964)
<b>Net cash used in operating activities</b>	<u>(2,279,205)</u>	<u>(581,248)</u>

FIERA REAL ESTATE UK LIMITED

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

	2020 £	2019 £
<b>Cash flows from investing activities</b>		
Acquisition of subsidiary, net of cash acquired (note 34.5)	(195,095)	-
Purchases of property, plant and equipment (note 18)	(123,580)	(558,393)
Proceeds from disposal of property, plant and equipment	833	-
Investment in joint ventures	(2,375,962)	(1,680,178)
Purchase of unlisted and other investments	(217,632)	(868,743)
Repayment of loans from joint ventures	2,258,767	1,670,694
Distributions received from unlisted and other investments	695,491	3,760,800
Distributions received from joint ventures	5,257,307	2,881,780
Distributions received from associates	85,000	-
Income from investments	20,017	22,116
Interest received (note 9)	51,078	132,109
<b>Net cash from investing activities</b>	<u>5,456,224</u>	<u>5,360,185</u>
<b>Cash flows from financing activities</b>		
Shares transferred from the Employee Benefit Trust	-	293,260
Decrease/(increase) in amounts owed by parent company	1,138,000	(9,138,000)
Principal paid on lease liabilities	(19,595)	(258,047)
Interest paid on lease liabilities (note 9)	-	(2,433)
Dividends paid (note 16)	(11,422,500)	(5,000,000)
Other interest paid	(2,987)	-
<b>Net cash used in financing activities</b>	<u>(10,307,082)</u>	<u>(14,105,220)</u>
<b>Net cash decrease in cash and cash equivalents</b>	<u>(7,130,063)</u>	<u>(9,326,283)</u>
Cash and cash equivalents at the beginning of year/period	10,656,437	19,982,720
<b>Cash and cash equivalents at the end of the year/period (note 24)</b>	<u><u>3,526,374</u></u>	<u><u>10,656,437</u></u>

The notes on pages 26 to 88 form part of these financial statements.

FIERA REAL ESTATE UK LIMITED

**COMPANY STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Profit for the year/period	6,722,541	2,908,451
<b>Adjustments for</b>		
Depreciation of tangible assets (note 8)	94,634	36,986
Interest and dividend income	(3,068,881)	(2,539,150)
Depreciation of right-of-use assets	-	258,047
Loss on sale of property, plant and equipment	-	55,127
Finance income	-	(120,186)
Interest expense	2,987	2,433
Profit on disposal of fixed asset investments	-	(333,525)
Income tax expense	261,032	116,197
	<u>4,012,313</u>	<u>384,380</u>
<b>Movements in working capital:</b>		
(Increase)/decrease in trade and other receivables	(1,782,960)	766,415
(Decrease)/increase in trade and other payables	(989,313)	767,600
Increase in amounts owed by group entities	(119,629)	(329,243)
Increase/decrease in amounts owed to group entities	305,190	(164,150)
	<u>1,425,601</u>	<u>1,425,002</u>
<b>Cash generated from operations</b>		
Income taxes paid	(293,239)	(644,500)
	<u>1,132,362</u>	<u>780,502</u>
<b>Net cash from operating activities</b>		

FIERA REAL ESTATE UK LIMITED

**COMPANY STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment (note 18)	(123,580)	(558,393)
Acquisition of subsidiaries (note 34.1)	(209,040)	-
Distributions from investments in subsidiaries	-	540,527
Proceeds from disposal of property, plant and equipment	833	-
Distributions from unlisted and other investments	-	2,055,581
Interest received	46,435	120,186
Dividends and distributions received	3,022,445	2,539,150
<b>Net cash from investing activities</b>	<u>2,737,093</u>	<u>4,697,051</u>
<b>Cash flows from financing activities</b>		
Decrease/(increase) in amounts owed by parent company	1,138,000	(9,138,000)
Principal paid on lease liabilities	-	(258,047)
Interest paid on lease liabilities	-	(2,433)
Other interest paid	(2,987)	-
Dividends paid (note 16)	(11,422,500)	(5,000,000)
<b>Net cash used in financing activities</b>	<u>(10,287,487)</u>	<u>(14,398,480)</u>
<b>Net cash decrease in cash and cash equivalents</b>	<u>(6,418,032)</u>	<u>(8,920,927)</u>
Cash and cash equivalents at the beginning of year/period	8,774,687	17,695,614
<b>Cash and cash equivalents at the end of the year/period (note 24)</b>	<u><u>2,356,655</u></u>	<u><u>8,774,687</u></u>

The notes on pages 26 to 88 form part of these financial statements.

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## FIERA REAL ESTATE UK LIMITED

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

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#### 1. Reporting entity

Fiera Real Estate UK Limited (the 'Company') is a private company limited by share capital and is incorporated in England and Wales under the Companies Act. The Company's registered office is at Third Floor Queensberry House, 3 Old Burlington Street, London, United Kingdom, W1S 3AE. The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the 'Group' and individually 'Group companies'). The parent company financial statements present information about the Company as a separate entity and not about its Group. The Group is primarily involved in fund management and venture capital specialising in the property sector.

#### 2. Basis of preparation

Both the parent company financial statements and the Group financial statements have been prepared in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards (IFRS Standards) issued by IASB.

Details of the Group's accounting policies, including changes during the year, are included in note 4.

On publishing the parent financial statements here together with the Group financial statements the Company has taken advantage of the exemption available under section 408 of the Companies Act 2006 and elected not to present its individual Statement of Comprehensive Income that form part of these approved financial statements.

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The areas where judgements and estimates have been made in preparing the consolidated financial statements and their effects are disclosed in note 6.

##### 2.1 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

Items	Measurement basis
Other non-current investments	Fair value (Note 4.4)
Investments in associates	Equity accounting (Note 4.3)
Investments in joint ventures	Equity accounting (Note 4.3)
Loans to joint ventures	Fair value (Note 4.3)

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## FIERA REAL ESTATE UK LIMITED

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

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#### 2. Basis of preparation (continued)

##### 2.2 Changes in accounting policies

###### i) New standards, interpretations and amendments effective from 1 January 2020

A number of new standards listed below are effective from 1 January 2020 but they do not have a material effect on the Company's financial statements.

- Amendments to References to Conceptual Framework in IFRS Standards;
- Definition of a Business (Amendments to IFRS 3);
- Definition of Material (Amendments to IAS 1 and IAS 8);
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7).

###### ii) New standards, interpretations and amendments not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective and in some cases had not yet been adopted by the EU:

- IFRS 17 Insurance Contracts - effective for annual reporting periods beginning on or after 1 January 2021 (likely to be extended to annual periods beginning on or after 1 January 2022);
- IFRS 10 and IAS 28 (amendments) Sale or Contribution of Assets between an Investor and its or Joint Venture - effective date of the amendments has yet to be set by the IASB.

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

#### 3. Reporting period

Last year the Company changed its financial year end date from 31 March to 31 December to align it with its parent's year end. The comparative amounts of the Company presented in these financial statements thus reflect 9 months period from 1 April 2019 to 31 December 2019. The financial statements for the current period are for 12 months made up from 1 January 2020 to 31 December 2020. Consequently, comparative amounts for the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and related notes are not entirely comparable.

#### 4. Significant accounting policies

##### 4.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the

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

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**4. Significant accounting policies (continued)**

**4.1 Basis of consolidation (continued)**

investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at this time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

**4.2 Business combinations**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-

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## FIERA REAL ESTATE UK LIMITED

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

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#### 4. Significant accounting policies (continued)

##### 4.2 Business combinations (continued)

controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

##### 4.3 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have

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## FIERA REAL ESTATE UK LIMITED

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

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#### 4. Significant accounting policies (continued)

##### 4.3 Investments in associates and joint ventures (continued)

rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting in accordance with IAS 28. The substance of the Group's interests in Joint Ventures is twofold, being separately an equity interest measured using the equity method in accordance with IAS 28 (and potentially producing a variable return to be assessed under IFRS 15) and secondly a loan interest measured at fair value through profit or loss under IFRS 9 Financial Instruments. As such an exercise is undertaken at each balance sheet date to assess the fair value of each loan to a Joint Venture. The returns generated by both the Group's equity interest and its loan interest are aggregated within Share of results of joint ventures in the Statement of Profit or Loss.

Under the equity method, an investment in an associate or a joint venture is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

In accounting for a share of results from associates and joint ventures, due to the nature of the income and the underlying contracts, payment terms vary. Investment returns from joint ventures often include a variable component, determined by the outcome of the associated property deal. In these cases, the Group includes in the transaction price variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the associated property deal is concluded.

The entities in which the Group has invested as associate or joint venture often have differing accounting reference periods to the Group and report their results under different frameworks (e.g. UK GAAP). As such, obtaining accurate and timely results from those entities is not always practical. Therefore in order to determine the Group's share of the profit or loss and other comprehensive income of the associate or joint venture, management are sometimes required to apply certain assumptions or adjustments based on the

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## FIERA REAL ESTATE UK LIMITED

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

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#### 4. Significant accounting policies (continued)

##### 4.3 Investments in associates and joint ventures (continued)

most recent reporting information available from those entities and/or the managements understanding of their operations and accounting policies. Where no recent comparable results are available, and there are no factors indicating a material level of profit or loss has been achieved, management will assume the share of profit or loss due to the Group to be nil. If more accurate information subsequently becomes available, that information will be considered and reflected when assessing the share of results and position at the following period end.

##### 4.4 Fair value measurement

Investments in unlisted group shares have been categorised as level 3 in the fair value hierarchy prescribed under the accounting standards. These investments are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated Statement of Comprehensive Income for the period.

##### 4.5 Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for a period of at least 12 months from the date of issuance of these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Further details have been given in Strategic Report.

##### 4.6 Revenue

The Group has adopted IFRS 15. This standard applies specific rules whereby the timing of cash payments specified in a contract are different to the transfer of control of the related services to the customer, thus changing when the related revenue is recognised.

Revenue is recognised based on the satisfaction of performance obligations, which occurs when control of promised service is transferred. Revenue is measured as the fair value of the consideration received, excluding discounts, rebates and value added tax.

**Fund priority profit shares and fund management fees** are earned from ongoing fund management services and is recognised over the period of the contract during which the services are provided, representing the value of the service provided to date.

**Asset management fee income** is earned from ongoing asset management services and is recognised over the period of the contract during which the services are provided, representing the value of the service provided to date.

**Transaction fee income** is generated by the successful acquisition of eligible investments as defined in the relevant trust instrument or equivalent agreement. Revenue is recognised upon completion of the contract to acquire the asset.

**Consultancy fee income** is generated by providing ongoing advice and professional support to associated entities. Revenue is recognised at the point the associated entity determines that those services have been successfully provided through the generation of profit for the associated entity, assessed at least quarterly.

**Other contractual income** is generated by providing advice and professional support to related parties in respect of specific property deals. Revenue is recognised at the point the property deal is proven to have

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## FIERA REAL ESTATE UK LIMITED

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

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#### 4. Significant accounting policies (continued)

##### 4.6 Revenue (continued)

been successfully and the conditions of the Company's rights to profits or fees have been met e.g. the completion of a contract of sale of an asset held by a third party or the recognition of profits in an underlying property vehicle.

**Other income** is generated from a combination of ancillary services such as accounting and administration services, recognised over the period of the contract during which the services are provided, and profit generated from the unwinding of positions held with related parties, recognised at the point the performance obligations are fully satisfied and profit becomes highly likely.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

##### 4.7 Foreign currency

###### 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 Profit and Loss and Other Comprehensive Income.

##### 4.8 Interest income

Interest income is recognised in the Consolidated statement of Profit and Loss and Other Comprehensive Income using the effective interest method.

##### 4.9 Employee benefits

###### Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

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## FIERA REAL ESTATE UK LIMITED

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

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#### 4. Significant accounting policies (continued)

##### 4.10 Defined contribution schemes

Contributions to defined contribution pension schemes are charged to the consolidated statement of comprehensive income in the year to which they relate.

##### 4.11 Taxation

###### (i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

###### (ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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## FIERA REAL ESTATE UK LIMITED

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

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#### 4. Significant accounting policies (continued)

##### 4.11 Taxation (continued)

###### (iii) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

##### 4.12 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following range:

Short-term leasehold property	10 years
Fixtures and fittings	5 years

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset.

##### 4.13 Intangible assets

###### Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortisation is recognised in profit or loss within administrative expenses on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

The estimated useful lives for the current period is as follows:

Customer contracts	1.5 years
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##### 4.14 Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instruments.

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## FIERA REAL ESTATE UK LIMITED

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

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#### 4. Significant accounting policies (continued)

##### 4.14 Financial instruments (continued)

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

##### 4.15 Financial assets

*All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.*

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

##### (i) Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity instrument in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iii) Financial assets at FVTPL).

##### (ii) Amortised cost and effective interest method

The effective interest method is a method for calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

*For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial*

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

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4. Significant accounting policies (continued)

4.15 Financial assets (continued)

(ii) Amortised cost and effective interest method (continued)

recognition. For purchased and originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised costs of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see (v) Impairment of financial assets). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by the applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased and originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the 'finance income' line item.

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVOCI are measured at FVTPL. Specifically:

- investments in equity instruments are classified as at FVTPL, unless the Group designates an equity instrument that is neither held for trading nor a contingent consideration arising from a business combination as at FVOCI on initial recognition.
- debt instruments that do not meet the amortised cost criteria or the FVOCI criteria (see (ii) Amortised cost and effective interest method) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVOCI criteria may be designated as at FVTPL *upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.*

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'fair value gains/losses' line item. Fair value is determined in the manner described in note 30.

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## FIERA REAL ESTATE UK LIMITED

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

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#### 4. Significant accounting policies (continued)

##### 4.15 Financial assets (continued)

##### (iv) Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'finance income' or 'finance expense' line item for gains and losses respectively.
- for debt instruments measured at FVOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instruments are recognised in profit or loss in the 'finance income' or 'finance expense' line item for gains and losses respectively. Other exchange differences are recognised in other comprehensive income in the investments revaluation reserve.
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in the 'finance income' or 'finance expense' line item for gains and losses respectively.
- for equity instruments measured at FVOCI, exchange differences are recognised in other comprehensive income in the investments reconciliation reserve.

##### (v) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised costs or at FVOCI, lease receivables, amounts due from customers under contracts, as well as on loan commitments and financial guarantee contracts. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables, amounts due from customers under contracts and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

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

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4. Significant accounting policies (continued)

4.15 Financial assets (continued)

(v) Impairment of financial assets (continued)

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(vi) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors;
- Nature of collaterals for finance lease receivables; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investments revaluation reserve, and does not reduce the carrying amount of the financial asset in the Consolidated Statement of Financial Position.

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FIERA REAL ESTATE UK LIMITED

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

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4. Significant accounting policies (continued)

4.15 Financial assets (continued)

(vii) Derecognition of financial assets

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

4.16 Financial liabilities and equity instruments

(i) Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

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## FIERA REAL ESTATE UK LIMITED

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

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#### 4. Significant accounting policies (continued)

##### 4.16 Financial liabilities and equity instruments (continued)

###### (iii) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit and loss (FVTPL).

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

###### *Financial liabilities subsequently measured at amortised cost*

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

###### *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

##### 4.17 Dividend payable

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at a general meeting.

##### 4.18 Dividend receivable

Dividend income from investments is recognised when shareholders rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably).

##### 4.19 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. Loans to joint ventures are measured at fair value.

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## FIERA REAL ESTATE UK LIMITED

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

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#### 4. Significant accounting policies (continued)

##### 4.20 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.

##### 4.21 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income 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.

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

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease assets and lease liabilities will be recognised based on the present value of the future minimum lease payments over the lease term. As the Group's leases do not normally provide an implicit financing rate, it will use its incremental borrowing rate to determine the present value of future payments. The lease term will include options to extend or terminate the lease when it is reasonably certain that the Group will exercise that option. The right of use asset will include lease payments made and initial direct costs. Subsequently, the right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

##### 4.23 Government grants

Included in profit or loss is amount of £58,800 received from the government in relation to Coronavirus Job Retention Scheme ('Furlough'). The Group recognises grant income within profit or loss in the same period as the related expenditure. The Group has elected to net off grant income against related expenditure. The Group does not have any unfulfilled obligations relating to this program.

##### 4.24 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.

##### 4.25 Auditor's remuneration

In order to align with the accounting policy of the parent group, the Company has opted to recognise the expense arising from auditor's remuneration in the accounting period during which the service is provided.

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## FIERA REAL ESTATE UK LIMITED

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

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#### 5. Functional and presentational currency

These consolidated financial statements are presented in pound sterling, which is the Company's and Group's functional currency. All amounts have been rounded to the nearest pound, unless otherwise indicated.

#### 6. Significant accounting estimates and judgements

In application of the Group's accounting policies, which are described in note 4, the Directors are required to make judgements that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The nature of estimation and judgement means that actual result may differ and may result in a material adjustment to carrying amount of the asset or liability affected in future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are addressed below.

##### **Fair value of unlisted investments**

The Group's Statement of Financial Position includes non-controlling interest in unlisted entities, typically unit trusts which invest in funds managed by the Group. In accordance with International Financial Reporting Standards, where the market value of those investments can be reliably determined, they are remeasured at fair value at each financial position date. As these investments are not readily tradable on a public exchange market, the fair value is based on the Statement of Financial Position of the unlisted investments which include market value revaluations of assets held. For carrying amount of this class of investments, please refer to note 21.

##### **Recognition of variable consideration**

The Group holds equity investments in joint ventures, measured using the equity method in accordance with IAS 28 Investments in Associates and Joint Ventures. Within the Joint Ventures there is a variable return to be assessed in accordance with IFRS 15. In accordance with IFRS 15, an entity should recognise variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when any uncertainty associated with the variable consideration is subsequently resolved. As such, in assessing the value of revenue arising from investments in joint ventures, the Directors have identified those projects where the criteria of IFRS 15 have been met, specifically that the performance obligations are adjudged to have been substantially completed.

On 4 March 2019, the Group disposed of its interest in a subsidiary, Palmer Capital Partners (CBX3) Limited, to a related party. The consideration included an enduring right to a share of any future profits distributed to the acquirer in relation to the property asset held in Palmer Capital Partners (CBX3) Limited at the time of disposal. The directors assess that at 31 December 2020, given the contractual construction milestones achieved by the disposed entity, the project had reached a stage where overage payment is highly probable. Therefore it met the recognition criteria of IFRS 15 and the Company has recognised an amount of £826,487 within revenue (other property-related income). Please refer note 7.

##### **Loans to joint ventures held at fair value**

The Group holds loan investments in Joint Ventures, measured at fair value through profit or loss in accordance with IFRS 9 Financial Instruments. In assessing the fair value of each loan relationship the directors have considered the intrinsic interest rate associated with each loan instrument, and have

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FIERA REAL ESTATE UK LIMITED

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

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6. Significant accounting estimates and judgements (continued)

undertaken an exercise to assess the circumstances of each project, particularly any forecast profits. Only where those profits are sufficient to support a fair value uplift has such an adjustment been made. For carrying amount of this class of investments, please refer to Note 20.

**Long-term incentive plan**

The Group has put in place a long-term incentive plan ("LTIP") whereby, if the Group meets certain performance criteria each year, an amount will be made available to management to allocate at its discretion to employees as additional non-contractual remuneration. As the release of these amounts is conditional upon performance targets each year, it is determined that the terms of the LTIP do not meet the recognition criteria of a liability under IAS 19 Employee Benefits until such time as the conditions for release have been met.

**Judgements**

There were no critical accounting judgements that are material to the financial statements have been made in current or prior period.

7. Revenue

The following is an analysis of the Group's revenue for the period from continuing operations:

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
<i>Fund priority profit shares and fund management fees</i>	2,143,706	1,811,524
<i>Asset management fees</i>	1,813,828	1,431,658
<i>Transaction fees</i>	29,854	587,432
<i>Consulting fees</i>	304,414	244,909
<i>Other property-related income</i>	826,487	30,000
<i>Other income</i>	75,440	443,772
	<u>5,193,729</u>	<u>4,549,295</u>

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**FIERA REAL ESTATE UK LIMITED**

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

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**7. Revenue (continued)**

Analysis of revenue by country of destination:

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
United Kingdom	5,163,875	4,549,295
Rest of the world	29,854	-
	<u>5,193,729</u>	<u>4,549,295</u>

**8. Operating loss**

The operating loss is stated after charging:

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Depreciation of tangible fixed assets	94,634	36,986
Depreciation of right-of-use assets	19,595	258,047
Exchange differences	499	680
Other operating lease rentals	-	39,960
Parent group recharge of premises costs	593,689	-
	<u>593,689</u>	<u>-</u>

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FIERA REAL ESTATE UK LIMITED

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

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9. Finance income and expense

Recognised in profit or loss

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
<b>Finance income</b>		
Interest on: Bank deposits	17,626	51,865
Interest receivable from related parties	33,452	80,244
	<u>51,078</u>	<u>132,109</u>
<b>Finance expense</b>		
Interest on lease liabilities	-	2,433
Other interest payable	2,987	-
Change in fair value of loan liabilities	(205,165)	-
	<u>(202,178)</u>	<u>2,433</u>

The change in fair value of loan liabilities relates to profit-participating loans provided by external parties as funding to the group. The loans attract a variable return linked to the profit or loss generated by an investment in underlying property SPV. As that investment generated a loss during the year, the fair values of the loan liabilities have decreased, resulting in a credit to the Group's statement of profit or loss.

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**FIERA REAL ESTATE UK LIMITED**

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

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**10. Other income**

	<b>Year ended 31 December 2020 £</b>	<b>Period ended 31 December 2019 £</b>
Other income from properties	1,000,000	-
Income from participating interests	-	10,065
Income from financial assets held as investments	20,017	12,052
	<u>1,020,017</u>	<u>22,117</u>

Other income from properties constitutes entirely a premium payable by the landlords of the Group's former office premises upon surrender by the Group of the lease held on those premises. The completion date of the lease surrender was 3 January 2020.

**11. Other gains and losses**

	<b>Year ended 31 December 2020 £</b>	<b>Period ended 31 December 2019 £</b>
Gains from unlisted investments (Note 30.6)	542,339	82,464
Provisions and write-offs against related-party loans	(78,913)	-
	<u>463,426</u>	<u>82,464</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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12. Auditor's remuneration

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Audit of these financial statements	257,155	-
Audit of financial statements of subsidiaries	7,000	-
Other assurance services	6,700	-
	<u>270,855</u>	<u>-</u>

The above P&L charge represents both the audit fees for the 2019 audit and the start of the 2020 audit up to the balance sheet date.

As per note 4.25, the audit remuneration expense is recognised in the accounting period during which the service is provided. Fees payable to Deloitte and their associates for the audit of these financial statements is £188,500 (2019: £196,300) and £7,350 (2019: £7,000) for the audit of the financial statements of subsidiaries. The Group is also due to pay £7,000 (2019: £6,700) for non-audit services to Deloitte in relation to FCA reporting.

13. Employee benefit expenses

Group

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
<b>Employee benefit expenses (including directors) comprise:</b>		
Wages and salaries	3,997,404	3,397,848
National insurance	507,906	431,269
Defined contribution pension cost	48,679	24,132
	<u>4,553,989</u>	<u>3,853,249</u>

**FIERA REAL ESTATE UK LIMITED**

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

**13. Employee benefit expenses (continued)**

**Key management personnel compensation**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the directors of the Company listed on page 1 and senior management group involved in day to day decision making.

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Wages and salaries	1,363,000	978,750
Short-term employee benefits	495,000	505,000
Social security costs	256,404	204,758
Defined contribution scheme costs	4,935	4,935
	<u>2,119,339</u>	<u>1,693,443</u>

The average monthly number of employees, including Directors, during the period was as follows:

	Group 31 December 2020	Group 31 December 2019
Directors	5	5
Administration staff	<u>28</u>	<u>29</u>
	33	34

**Company**

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
<b>Employee benefit expenses (including directors) comprise:</b>		
Wages and salaries	3,941,929	3,397,848
National insurance	500,495	431,269
Defined contribution pension cost	48,023	24,132
	<u>4,490,447</u>	<u>3,853,249</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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13. Employee benefit expenses (continued)

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including the directors of the Company listed on page 6 and senior management group involved in day to day decision making.

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Wages and salaries	1,363,000	978,750
Short-term employee benefits	495,000	505,000
Social security costs	256,404	204,758
Defined contribution scheme costs	4,935	4,935
	<u>2,119,339</u>	<u>1,693,443</u>

The average monthly number of employees, including Directors, during the period was as follows:

	Company 31 December 2020	Company 31 December 2019
Directors	5	5
Administration staff	<u>28</u> 33	<u>29</u> 34

**FIERA REAL ESTATE UK LIMITED**

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**14. Directors' remuneration**

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Directors' emoluments	618,000	450,000
Defined contribution scheme costs	987	987
Consultancy fees	63,333	-
	<u>682,320</u>	<u>450,987</u>

During the period retirement benefits were accruing to 1 Director (2019: 1) in respect of defined contribution pension schemes.

The highest paid Director received emoluments of £309,000 (2019: £225,000) and defined contribution scheme costs of £987 (2019: £987).

**15. Tax expense**

**15.1 Income tax recognised in profit or loss**

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
<b>Current tax</b>		
Current tax on profits for the period/year	583,612	913,299
Adjustments in respect of prior years	230,699	-
<b>Total current tax</b>	<u>814,311</u>	<u>913,299</u>
<b>Deferred tax expense</b>		
Origination and reversal of timing differences	382,371	(531,600)
Adjustments in respect of prior years	(426,232)	-
<b>Total deferred tax</b>	<u>(43,861)</u>	<u>(531,600)</u>
	<u>770,450</u>	<u>381,699</u>

FIERA REAL ESTATE UK LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**15. Tax expense (continued)**

**15.1 Income tax recognised in profit or loss (continued)**

**Total tax expense**

Tax expense	770,450	381,699
	<u>770,450</u>	<u>381,699</u>

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Profit for the period/year	4,223,240	3,263,782
Income tax expense (including income tax on associate and joint venture)	770,450	381,699
<b>Profit before income taxes</b>	<u>4,993,690</u>	<u>3,645,481</u>
Tax using the Company's domestic tax rate of 19% (2019:19%)	948,801	692,641
Fair value movement not subject to corporation tax in the current period	17,180	35,477
Expenses not deductible for tax purposes, other than goodwill, amortisation and impairment	-	11,157
Capital allowances for the period in excess of depreciation	-	(21,759)
Adjustments to tax charge in respect of prior periods	(195,533)	-
Book profit on chargeable assets	-	10,474
Utilisation of unrelieved tax losses brought forward	-	(75,930)
Other timing differences	2	(270,361)
<b>Total tax expense</b>	<u>770,450</u>	<u>381,699</u>
Effective tax rate	15.43%	10.47%

**Factors that may affect future tax charges**

The Finance Act 2021, which received Royal Assent in June 2021, will result in the applicable rate being held at 19% until April 2023, increasing to 25% from 1 April 2023 for companies with profits over £250,000. As at 31 December 2020, all deferred tax assets and liabilities are recognised at a rate of 19% on the basis that the timing differences giving rise to those balances are expected to reverse in periods before 1 April 2023.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**15. Tax expense (continued)**

**15.2 Current tax assets and liabilities**

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Corporation tax payable	-	(23,780)
Corporation tax recoverable	450,960	-
	<u>450,960</u>	<u>(23,780)</u>

**15.3 Deferred tax balances**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The following is the analysis of deferred tax asset/(liabilities) presented in the consolidated statement of financial position:

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Deferred tax liabilities	(450,541)	(68,170)
	<u>(450,541)</u>	<u>(68,170)</u>

Deferred tax assets are recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets where the directors believe it is probable that these assets will be recovered. There were no deferred tax asset recognised during the year (31 December 2019: £nil) by the Group and the Company.

FIERA REAL ESTATE UK LIMITED

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

15. Tax expense (continued)

15.3 Deferred tax balances (continued)

Group

	At 1 January 20 £	Recognised in profit or loss £	At 31 December 20 £
Timing differences on fixed asset investments held at fair value	(68,170)	51,487	(16,683)
Timing difference on taxation of JV profit distributions	-	(433,858)	(433,858)
	<u>(68,170)</u>	<u>(382,371)</u>	<u>(450,541)</u>

	At 1 April 19 £	Recognised in profit or loss £	At 31 December 19 £
Timing differences on fixed asset investments held at fair value	(599,770)	531,600	(68,170)
	<u>(599,770)</u>	<u>531,600</u>	<u>(68,170)</u>

Company

	Recognised in profit or loss £	At 31 December 20 £
Timing difference on taxation of JV profit distributions	(433,858)	(433,858)
	<u>(433,858)</u>	<u>(433,858)</u>

	At 1 April 19 £	Recognised in profit or loss £	Other £	At 31 December 19 £
Timing differences on Fixed Asset investments held at FV	(324,061)	324,061	-	-
	<u>(324,061)</u>	<u>324,061</u>	<u>-</u>	<u>-</u>

**FIERA REAL ESTATE UK LIMITED**

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

**16. Dividends**

	2020 £	2019 £
Interim dividend of £0.9138 (2019: nil) per Ordinary A share paid during the period	9,138,000	-
Interim dividend of £0.9138 (2019: nil) per Ordinary B share paid during the year	2,284,500	-
Final dividend of nil (2019: £0.40 per Ordinary A share proposed and paid during the period)	-	4,000,000
Final dividend of nil (2019: £0.40) per Ordinary B share proposed and paid during the period	-	1,000,000
	<u>11,422,500</u>	<u>5,000,000</u>

**17. Intangible assets**

**Group**

	<b>Customer contracts £</b>
<b>Cost</b>	
On acquisition of subsidiaries	165,804
<b>At 31 December 2020</b>	<u>165,804</u>
	<b>Customer contracts £</b>
<b>Accumulated amortisation and impairment</b>	
Charge for the year	27,634
<b>At 31 December 2020</b>	<u>27,634</u>
<b>Net book value</b>	
At 31 December 2020	<u>138,170</u>

The customer contracts were acquired as part of a business combination (see note 34 for details). They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful lives.

**FIERA REAL ESTATE UK LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**18. Property, plant and equipment**

**Group**

	<b>Short-term leasehold property £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2019	100,888	116,670	217,558
Additions	409,081	149,312	558,393
Disposals	(100,888)	(4,972)	(105,860)
<b>At 31 December 2019</b>	<b>409,081</b>	<b>261,010</b>	<b>670,091</b>
Additions	111,591	11,989	123,580
Acquisition of subsidiary	4,500	2,931	7,431
Disposals	-	(833)	(833)
<b>At 31 December 2020</b>	<b>525,172</b>	<b>275,097</b>	<b>800,269</b>
	<b>Short-term leasehold property £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
<b>Accumulated depreciation and impairment</b>			
At 1 April 2019	38,353	70,451	108,804
Charge on owned assets for the period	7,817	29,169	36,986
Disposals	(46,170)	(4,563)	(50,733)
<b>At 31 December 2019</b>	<b>-</b>	<b>95,057</b>	<b>95,057</b>
Charge on owned assets for the year	51,065	43,569	94,634
<b>At 31 December 2020</b>	<b>51,065</b>	<b>138,626</b>	<b>189,691</b>
<b>Net book value</b>			
At 1 April 2019	62,535	46,219	108,754
At 31 December 2019	409,081	165,953	575,034
At 31 December 2020	474,107	136,471	610,578

**FIERA REAL ESTATE UK LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**18. Property, plant and equipment (continued)**

**Company**

	Short-term leasehold property £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 April 2019	100,888	116,670	217,558
Additions	409,081	149,312	558,393
Disposals	(100,888)	(4,972)	(105,860)
<b>At 31 December 2019</b>	<b>409,081</b>	<b>261,010</b>	<b>670,091</b>
Additions	111,591	11,989	123,580
Disposals	-	(833)	(833)
<b>At 31 December 2020</b>	<b>520,672</b>	<b>272,166</b>	<b>792,838</b>
	Short-term leasehold property £	Fixtures and fittings £	Total £
<b>Accumulated depreciation and impairment</b>			
At 1 April 2019	38,353	70,451	108,804
Charge owned for the year	7,817	29,169	36,986
Disposals	(46,170)	(4,563)	(50,733)
<b>At 31 December 2019</b>	<b>-</b>	<b>95,057</b>	<b>95,057</b>
Charge owned for the year	51,065	43,569	94,634
<b>At 31 December 2020</b>	<b>51,065</b>	<b>138,626</b>	<b>189,691</b>
<b>Net book value</b>			
At 1 April 2019	62,535	46,219	108,754
At 31 December 2019	409,081	165,953	575,034
At 31 December 2020	469,607	133,540	603,147

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**19. Investments in equity-accounted associates**

The group has interests in a number of individually immaterial associates that are accounted for using the equity method:

**(i) Summarised financial information (immaterial associates)**

	2020 £	2019 £
Profit from continuing operations	169,454	-
Aggregate carrying amount of the Group's interests in these associates	358,958	309,116

**20. Joint ventures**

	2020 £	2019 £
Equity investment in joint ventures	772,000	1,521,213
Loans to joint ventures	4,352,817	4,153,961
<b>Aggregate carrying amount of the Group's investment in joint ventures</b>	<u>5,124,817</u>	<u>5,675,174</u>

Investments in the following entities have been included in the consolidated financial statements using the equity method:

Name	Country of incorporation	Principal activity	Proportion of ownership interest held as at (%)	
			2020	2019
1) Manse Opus (Ansty) LLP	England and Wales	Property development	33	33
2) Bruton (PCDF IV Bristol) FS) LLP	England and Wales	Property development	4	4
3) Danescroft (Send) LLP	England and Wales	Dormant	50	50
4) Opus (Kingswood) LLP	England and Wales	Dormant	33	33
5) Wrenbridge (Woking Project Management) Limited	England and Wales	Nominee Company	33	33
6) Angle Property (Headley Court Project Management) LLP	England and Wales	Nominee Company	33	33

Under the joint venture arrangements in place, the funding and profit-sharing proportions do not necessarily share a linear relationship and therefore the Group's economic interest in a joint venture cannot be represented by a simple percentage of net assets/(liabilities).

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20. Joint ventures (continued)

(i) Summarised financial information (material joint ventures)

Year ended 31 December 2020

	Manse Opus (Ansty) LLP	Bruton (PCDF IV Bristol FS) LLP	Danescroft (Send) LLP	Opus (Kingswood) LLP	Angle Property (Headley Court Project Management) LLP
	£	£	£	£	£
Non-current assets			-	-	-
Current assets	5,309,780	23,407,817	-	-	627,519
Current liabilities	(5,309,680)	(23,407,617)	-	-	(627,419)
<b>Included in the above amounts are:</b>					
Cash and cash equivalents	22,977	14,225	-	-	13,057
<b>Net (liabilities)/assets</b>	<b>100</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>100</b>
<b>Group share of net assets</b>	<b>33</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>80</b>
Revenue	12,812,567	5,240,405	-	285,750	100,000
Expenses	(12,092,258)	(6,486,617)	-	-	(100,000)
<b>Total comprehensive income</b>	<b>720,309</b>	<b>(1,246,212)</b>	<b>-</b>	<b>285,750</b>	<b>-</b>
Group's share in %	33%	4%	50%	33%	80%
Group share of result in joint ventures after tax	240,103	(49,848)	-	95,250	-
<b>Reconciliation to carrying amounts:</b>					
Opening net assets 1 January 2020	4,079,136	(1,063,269)	-	-	-
Profit for the period	720,309	(1,246,212)	-	285,750	-
Fair value adjustments	484,504	(5,306,069)	-	-	50,671
Distributions made	(5,283,949)	-	-	(285,750)	-
<b>Closing net assets 31 December 2020</b>	<b>-</b>	<b>(7,615,550)</b>	<b>-</b>	<b>-</b>	<b>50,671</b>
Group's share in %	33%	4%	50%	33%	80%
<b>Group's share of profit in £</b>	<b>375,844</b>	<b>(212,242)</b>	<b>-</b>	<b>95,250</b>	<b>40,537</b>
Distributions made	(1,761,316)	-	-	(95,250)	-
Add: Group share of capital account	82,327	544,728	-	-	508,562
Add: Group share of current account b/f	1,303,145	(92,380)	-	-	(2,327)
<b>Carrying amount</b>	<b>-</b>	<b>240,106</b>	<b>-</b>	<b>-</b>	<b>546,772</b>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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20. Joint ventures (continued)

Period ended 31 December 2019

	Manse Opus (Ansty) LLP	Bruton (PCDF IV Bristol FS) LLP	Danescroft (Send) LLP	Opus (Kingswood) LLP	Wrenbridge (Woking Project Management) Limited
	£	£	£	£	£
Non-current assets	-	20,605,694	-	-	4
Current assets	9,339,014	-	3	3	88,979
Current liabilities	(4,499,874)	(21,780,583)	-	-	(88,980)
<b>Included in the above amounts are:</b>					
Cash and cash equivalents	25,807	16,013	-	-	7,391
Current financial liabilities (excluding trade and other payables)	(7,124,831)	-	-	-	-
<b>Net (liabilities)/assets</b>	<b>4,839,140</b>	<b>(1,174,889)</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>Group share of net assets</b>	<b>1,562,735</b>	<b>518,264</b>	<b>-</b>	<b>-</b>	<b>26,350</b>
Revenue	40,977,628	-	10,830,719	2,693,436	-
Expenses	(36,177,628)	-	(8,677,575)	-	67
Income tax	-	-	-	-	-
<b>Total comprehensive income</b>	<b>4,800,000</b>	<b>-</b>	<b>2,153,144</b>	<b>2,693,436</b>	<b>67</b>
Group's share in %	33%	4%	50%	33%	85%
Group share of result in joint ventures after tax	1,600,000	-	1,076,572	897,812	57
<b>Included in the above amounts are:</b>					
Interest income	-	-	-	-	70
<b>Reconciliation to carrying amounts:</b>					
Opening net assets 1 April 2019	-	(1,063,269)	(245,381)	-	3
Profit for the period	4,800,000	-	2,153,144	2,693,436	67
Fair value adjustments	(720,864)	-	245,384	-	(57,983)
Distributions made	-	-	(2,153,147)	(2,693,436)	-
<b>Closing net assets 31 December 2019</b>	<b>4,079,136</b>	<b>(1,063,269)</b>	<b>-</b>	<b>-</b>	<b>(57,913)</b>
Group's share in %	33%	4%	50%	33%	85%
<b>Group's share in £</b>	<b>1,359,712</b>	<b>(42,531)</b>	<b>-</b>	<b>-</b>	<b>(49,226)</b>
Add: Group share of capital account	259,591	610,644	-	-	42,500
Add: Group share of current account b/f	(56,567)	(49,849)	-	-	33,076
<b>Carrying amount</b>	<b>1,562,736</b>	<b>518,264</b>	<b>-</b>	<b>-</b>	<b>26,350</b>

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**FIERA REAL ESTATE UK LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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**20. Joint ventures (continued)**

**(ii) Summarised financial information (immaterial joint ventures)**

In addition to the interests in joint ventures disclosed above, the group also has interests in a number of individually immaterial joint ventures that are accounted for using the equity method:

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Profit from continuing operations	4,290,368	623,815
Aggregate carrying amount of the Group's interests in these JV's	4,337,939	3,567,825

**(iii) Reconciliation of total joint venture results**

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Profit from individually material continuing operations	299,389	3,642,486
Profit from individually immaterial continuing operations	4,290,368	623,815
	<u>4,589,757</u>	<u>4,266,301</u>
Carrying amount of the Group's interests in individually material JVs	786,878	2,107,349
Carrying amount of the Group's interests in individually immaterial JVs	4,337,939	3,567,825
	<u>5,124,817</u>	<u>5,675,174</u>

**21. Other non-current investments**

	2020 £	2019 £
Aggregate carrying amount of the Group's interests in these investments	1,312,403	1,865,752

These investments have been measured at fair value. Detailed policy on the fair value measurement have been given in note 4.4. Further details of accounting classification and fair value measurement in relation these investments have been given in note 30.

**FIERA REAL ESTATE UK LIMITED**

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**22. Fixed assets investments**

**Company**

	Investment in subsidiary companies £	Loans to subsidiaries £	Investment in associates £	Investment in joint ventures £	Unlisted investments £	Total £
<b>Cost or valuation</b>						
At 1 April 2019	345,043	69,002	231,751	2,930	2,055,592	2,704,318
Distributions	(243,990)	(69,002)	-	-	(2,055,591)	(2,368,583)
At 31 December 2019	101,053	-	231,751	2,930	1	335,735
Additions	209,038	-	-	-	-	209,038
Distributions	-	-	-	-	(1)	(1)
<b>At 31 December 2020</b>	<b>310,091</b>	<b>-</b>	<b>231,751</b>	<b>2,930</b>	<b>-</b>	<b>544,772</b>
<b>Accumulated impairment</b>						
At 1 April 2019	175,000	-	-	-	-	175,000
Distributions	(175,000)	-	-	-	-	(175,000)
At 31 December 2019	-	-	-	-	-	-
<b>At 31 December 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book Value</b>						
At 1 April 2019	170,043	69,002	231,751	2,930	2,055,592	2,529,318
At 31 December 2019	101,053	-	231,751	2,930	1	335,735
<b>At 31 December 2020</b>	<b>310,091</b>	<b>-</b>	<b>231,751</b>	<b>2,930</b>	<b>-</b>	<b>544,772</b>

Investments in subsidiaries, associates, and jointly ventures are measured at cost less accumulated impairment.

Loans to subsidiary undertakings are shown at cost, less provisions.

Unlisted investments have been measured at fair value. Detailed policy on the fair value measurement has been given in note 4.4.

Notes 32 and 33 includes details of all related undertakings.

**FIERA REAL ESTATE UK LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**23. Trade and other receivables**

	Group 31 December 2020 £	Group 31 December 2019 £	Company 31 December 2020 £	Company 31 December 2019 £
Trade receivables	487,076	690,226	353,098	586,679
Amounts owed by joint ventures and associated undertakings	341,016	626,767	5,999,233	5,520,801
<i>Amounts owed by group undertakings</i>	8,002,976	9,042,696	9,127,054	10,293,731
Prepayments and accrued income	1,432,609	1,299,003	956,372	307,511
Tax recoverable	139,403	175,802	607,452	177,783
Other receivables	1,076,466	9,512	1,083,465	9,513
	<u>11,479,546</u>	<u>11,844,006</u>	<u>18,126,674</u>	<u>16,896,018</u>

The amounts owed by group undertakings are unsecured, interest-free and repayable on demand. The loans made to associates and joint ventures are also unsecured and have no fixed repayment date. Although loans to joint ventures are interest-free, they generate a variable return depending on profitability, and that return has been evaluated and reflected in the fair value.

The Group does not hold any collateral as security.

The carrying value of trade and other receivables classified as loans and receivables approximates fair value.

The ageing analysis of trade receivable at the year-end was as follows:

	Group 31 December 2020 £	Group 31 December 2019 £
0-30 days	432,358	685,026
30-91 days	51,080	5,200
91-180 days	3,638	-
	<u>487,076</u>	<u>690,226</u>

Of the trade receivables balance at 31 December 2020, 89.4% was less than one month old (31 December 2019: 99.3%). No trade receivables are impaired at the year end (31 December 2019: £nil) as the Group has historically suffered no credit losses and doesn't believe there to be any credit risk inherent in the period-end balances.

**FIERA REAL ESTATE UK LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**24. Cash and cash equivalents**

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Company 2020 £</b>	<b>Company 2019 £</b>
Cash at bank available on demand	3,520,756	10,654,601	2,353,564	8,772,851
Cash on hand	5,618	1,836	3,091	1,836
	<u>3,526,374</u>	<u>10,656,437</u>	<u>2,356,655</u>	<u>8,774,687</u>

**25. Trade and other liabilities**

	<b>Group 31 December 2020 £</b>	<b>Group 31 December 2019 £</b>	<b>Company 31 December 2020 £</b>	<b>Company 31 December 2019 £</b>
Trade payables	111,633	221,257	105,715	216,859
Payables to participating interests	3,561	4,338	5,166	4,305
Amounts payable to subsidiary undertakings	-	-	305,190	-
Other payables	704,893	1,829,205	67,590	1,008,082
Accruals and deferred income	1,871,539	1,820,170	1,740,023	1,746,278
Other payables - tax and social security payments	324,167	126,295	296,981	105,929
	<u>3,015,793</u>	<u>4,001,265</u>	<u>2,520,665</u>	<u>3,081,453</u>

Trade payables are non-interest bearing and normally settled within one year.

The amounts owed to subsidiary undertakings are unsecured, interest-free and repayable on demand.

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

FIERA REAL ESTATE UK LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**26. Leases (Group as a lessee)**

	Right-of-use assets £	
<b>Cost</b>		
Right-of-use assets recognised as at 1 April 2019	390,285	
Disposals	(390,285)	
At 31 December 2019	-	
Acquisition of subsidiaries	49,875	
At 31 December 2020	49,875	
<b>Accumulated depreciation</b>		
Charge for the period	258,047	
Disposals	(258,047)	
At 31 December 2019	-	
Charge for the year	19,595	
At 31 December 2020	19,595	
<b>Carrying amount</b>		
At 31 December 2019	-	
At 31 December 2020	30,280	
	31 December 2020 £	31 December 2019 £
<b>Amounts recognised in profit and loss</b>		
Depreciation expense on right-of-use assets	19,595	258,047
Interest expense on lease liabilities	-	2,433

**FIERA REAL ESTATE UK LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**26. Leases (continued)**

**Group**

**(i) Leases as a lessee**

During the year the Group acquired a subsidiary, Cubex Land Limited (Note 34), which holds an operating lease on its office premises. At the date of acquisition, a period of approximately 21 months remained on the lease up to the break date. The remaining lease liability was estimated to be £49,875. The contractual term extends for a further two years beyond the break date, which would increase the lease liability by £57,000. At the date of acquisition, the right-of-use asset was also estimated at £49,875.

Lease liabilities are due as follows:

	2020 £	2019 £
<b>Contractual undiscounted cash flows due</b>		
Not later than one year	28,500	-
Between one year and five years	1,780	-
	<u>30,280</u>	<u>-</u>

**27. Share capital**

**Authorised, issued and fully paid**

**Group and Company**

	2020 Number	2020 £	2019 Number	2019 £
<b>Shares treated as equity</b>				
Ordinary 'A' Shares shares of £0.01 each	10,000,000	100,000	10,000,000	100,000
Ordinary 'B' Shares shares of £0.01 each	2,500,000	25,000	2,500,000	25,000
	<u>12,500,000</u>	<u>125,000</u>	<u>12,500,000</u>	<u>125,000</u>

**Voting rights**

'A' ordinary shareholders and 'B' ordinary shareholders are entitled to receive notice and attend all general meeting and to vote on all matters relating to the company.

**Dividends**

'A' ordinary shares and 'B' ordinary shares are entitled to participate in a dividend on profits available for distribution but have no fixed or guaranteed right to any dividend.

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FIERA REAL ESTATE UK LIMITED

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**28. Reserves**

**Share premium**

This reserve records the amount above the nominal value received for shares issued, less transaction costs.

**Capital redemption reserve**

*The reserve represents the nominal value of shares repurchased by the Company.*

**Foreign exchange reserve**

The foreign exchange reserve represents adjustments resulting from the translation of a sub group's financial statements into the reporting currency.

**Other reserves**

The reserve records the non-distributable unrealised gains resulting from fair value remeasurement of unlisted investments and investment property.

**Retained earnings**

The profit and loss reserve represents the distributable profit for the Company.

**29. Non-controlling interests**

	2020 £	2019 £
Balance brought forward	-	(32,858)
Share of profit for the year/period	63,573	32,858
Non-controlling interests arising on acquisition	25,765	-
<b>Balance carried forward</b>	<b>89,338</b>	<b>-</b>

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**FIERA REAL ESTATE UK LIMITED**

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**30. Financial instruments - fair values and risk management**

**30.1 Accounting classifications and fair values**

There is no significant difference between the carrying amount and fair value of any financial instrument for the Group.

The following table combines information about:

- classes of financial instruments based on their nature and characteristics;
- the carrying amounts of financial instruments;
- fair values of financial instruments; and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed.

Trade and other receivables below exclude prepayments and tax recoverable.

Trade and other payables below exclude corporation tax and other payables - tax and social security payments.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

No transfers between levels of the fair value hierarchy occurred in the current period or prior year.

FIERA REAL ESTATE UK LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**30. Financial instruments - fair values and risk management (continued)**

**30.1 Accounting classifications and fair values (continued)**

31 December 2020	Note	Mandatorily at FVTPL £	Carrying amount		Level 1 £	Level 2 £	Level 3 £	Fair value	
			Amortised cost £	Total £				Total £	Total £
<b>Financial assets measured at fair value</b>									
Unlisted investments	21	1,312,403	-	1,312,403	-	-	1,312,403	1,312,403	
Loans to joint ventures	20	4,352,817	-	4,352,817	-	-	4,352,817	4,352,817	
		<u>5,665,220</u>	<u>-</u>	<u>5,665,220</u>					
<b>Financial assets not measured at fair value</b>									
Trade and other receivables	23	-	11,218,602	11,218,602	-	-	-	-	
Cash and cash equivalents	24	-	3,526,374	3,526,374	-	-	-	-	
		<u>-</u>	<u>14,744,976</u>	<u>14,744,976</u>					
<b>Financial liabilities not measured at fair value</b>									
Trade and other payables	25	-	2,691,626	2,691,626	-	-	-	-	
		<u>-</u>	<u>2,691,626</u>	<u>2,691,626</u>					

FIERA REAL ESTATE UK LIMITED

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

**30. Financial instruments – fair values and risk management (continued)**

**30.1 Accounting classifications and fair values (continued)**

31 December 2019		Note	Mandatorily at FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
			£	£	£	£	£	£	£
Financial assets measured at fair value									
Unlisted investments	21		1,865,752	-	1,865,752	-	-	1,865,752	1,865,752
Loans to joint ventures	20		4,153,961	-	4,153,961	-	-	4,153,961	4,153,961
			<u>6,019,713</u>	<u>-</u>	<u>6,019,713</u>				
Financial assets not measured at fair value									
Trade and other receivables	23		-	11,548,693	11,548,693	-	-	-	-
Cash and cash equivalents	24		-	10,656,437	10,656,437	-	-	-	-
			<u>-</u>	<u>22,205,130</u>	<u>22,205,130</u>				
Financial liabilities not measured at fair value									
Trade and other payables	25.		-	3,943,015	3,943,015	-	-	-	-
			<u>-</u>	<u>3,943,015</u>	<u>3,943,015</u>				

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## FIERA REAL ESTATE UK LIMITED

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

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#### 30. Financial instruments - fair values and risk management (continued)

##### 30.2 Market risk

The future results of the Group depend on the strength of the property markets in the UK. The directors believe that the projects selected for development have been chosen with a view to minimising the impact of any global shock particularly as the UK property market remains buoyant from a global perspective.

The directors have subjected their balance sheet to a broad sensitivity analysis whereby the negative impact of relevant risks is applied. The directors consider the risk surrounding the fair values of the Group's financial instruments to be broadly proportionate to any downturn in the UK property market. For example, if the average value of UK property fell by 5%, it is estimated that the fair value of the Unlisted investments and Loans to joint ventures on the Group's balances sheet would fall by a maximum of 5% amounting to £363,692.

##### 30.3 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Group's liquidity position is monitored and reviewed on an ongoing basis by the Directors.

Note 25 shows the amounts payable by the Group at 31 December 2020. The maturities of estimated cashflows from all the financial liabilities shown in note 25 are all due within one year or less. The maturity analysis of lease liabilities is shown in note 26.

##### 30.4 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and other financial activities. The Group has no history of recording bad debts in the past and the risk of default arising from the Group's activities is considered low. The Group would record a bad debt provision against any trade receivable with ageing greater than 12 months. Amounts owed by associated undertakings are subject to more bespoke repayment terms. The Group would record a bad debt provision against such amounts where specific or general circumstances exist that heighten the risk of default.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. The risk is limited because the counterparties are commercial banks or financial institutions with high credit ratings assigned by independent credit-rating agencies.

The Group's maximum exposure to credit risk by class of financial asset is as follows:

	2020 £	2019 £
Trade and other receivables due within one year	11,479,546	11,844,006
Cash and cash equivalents	3,526,374	10,656,437

The directors' estimate of the Group's expected credit losses is zero.

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## FIERA REAL ESTATE UK LIMITED

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

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#### 30. Financial instruments - fair values and risk management (continued)

##### 30.5 Capital management

The Group manages its capital structure by balancing distributions of profit to shareholders, awarding variable remuneration to employees, and retaining reserves in the Company in a manner consistent with its internal policies to satisfy the objectives of safeguarding the entity's ability to continue as a going concern whilst providing a return on investment.

The Company has no externally imposed capital requirements. One of the Group's subsidiaries, Fiera Real Estate Investors UK Limited, is regulated by the Financial Conduct Authority and is required to maintain regulatory capital of £5,000 (2019: £5,000).

##### 30.6 Significant unobservable inputs used in the fair value measurement of financial assets measured at fair value (Level 3)

###### Background

###### Unlisted Investments:

The Group's Unlisted Investments balance typically comprises non-controlling interests in unit trusts which invest in funds managed by the Group.

These funds and their respective unit trusts are valued at each quarter-end based on external property valuations, carried out by independent professionally qualified surveyors. The property valuation is used to derive a net asset value for the trust, which the Groups share of the net assets is used as a proxy for fair value on the units.

The sensitivity analysis below states the year-end valuations used in arriving at the fair value stated in the Group's Statement of Financial Position.

###### Loans to joint ventures:

Loans granted by the Group to the joint ventures ("JVs") in which it invests are classified as fair value through profit or loss in accordance with IFRS 9 – Financial instruments. The fair value at each reporting date represents the amount that would be received from a market participant to acquire the loan from the Group. This price would include priority returns accrued to the date of transfer, to the extent that a market participant would reasonably expect to be able to collect these in the future.

Accordingly, at each reporting date, management's latest forecasted profit is considered in determining the fair value of each loan, and priority returns are accrued up to the maximum amount of the IRR where the deal is expected to return sufficient profit that will ultimately flow to the Group. Similarly, if a deal is expected to be loss making at the reporting date, the fair value of the loan is decreased to reflect the recoverable amount of the loan.

In fund deals, a special purpose vehicle ("SPV") is created in which the JV typically invests 4% of the capital, and the fund invests 96% of the capital. Returns are paid from the SPV based on net assets once the capital has been repaid. Profitability varies primarily as a result of the market value of the property, with variances in other assets and liabilities having an immaterial impact due to the low net values held in the SPV. Therefore, in order to determine the fair value of the loans granted, the Group focuses primarily on the market value of the property, established by obtaining external property valuations, carried out by independent professionally qualified surveyors. The property valuation is used to derive an approximate net asset value for the SPV, which in turn implies the net assets of the JV, which is used as a proxy for fair value of the Group's loan to the JV.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**30. Financial instruments - fair values and risk management (continued)**

**30.6 Significant unobservable inputs used in the fair value measurement of financial assets measured at fair value (Level 3) (continued)**

In non-fund deals, in order to determine the fair value of loans granted, the Group assesses the profitability of each deal through its quarterly management forecasting process.

In assessing the profitability of each deal, the Group relies on the most recent approved forecasts. The list of projects is reviewed based on management's knowledge of the project stage and ongoing negotiations for sales of properties to identify for a more detailed review any projects for which an updated assessment would be significantly different from the most recent approved forecasts.

Loans to joint ventures are entitled to earn up to an annual IRR which varies for each joint venture, but only on the basis the joint venture generates sufficient profits. Based on a determination of the profitability of a joint venture, management estimate the fair value of the loan to that joint venture based on the expected future cash flow the loan will generate.

**Sensitivity analysis:**

Due to loans being to such a large number of joint ventures (2020: 51, 2019: 46), each of which has a unique set of variables which shape the assessment of fair value, the directors do not consider there to be any consistent quantifiable inputs which would help the users of the financial statements to better understand the sensitivity of assumptions to the fair value processes described above. If the profitability of an underlying project of a joint venture differs from management's expectation it will change the fair value of the loan instrument. This may not result in a linear relationship between the fair value of the loan and profitability of a joint venture. In particular joint ventures with large movements in expected profitability will not experience a linear relationship with fair value. The exact relationship between a joint ventures profitability and the loan fair value depends on the individual joint venture agreement and profitability forecast.

**Sensitivity analysis of financial assets measured at fair value (Level 3)**

**Unlisted Investments:**

Investment	Estimated total value of investment	Ownership %	Fair value	Change unit trust value	
				-5%	+5%
PCDFIII GPUT	15,716,972	1.00%	157,170	149,311	165,028
PCDFIV GPUT	59,147,076	1.00%	591,471	561,897	621,044
FREOV V JPUT	37,168,599	1.00%	371,686	353,102	390,270
GCC UK JPUT	12,000,085	1.57%	188,123	178,717	197,529
Other			3,953	3,752	4,148
			<b>1,312,403</b>	<b>1,246,779</b>	<b>1,378,019</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**30. Financial instruments - fair values and risk management (continued)**

**30.6 Significant unobservable inputs used in the fair value measurement of financial assets  
measured at fair value (Level 3) (continued)**

**Reconciliation of Level 3 fair value measurements**

	Loans to joint ventures £	Unlisted investments £	Total £
<b>31 December 2020</b>			
Opening balance	4,153,961	1,865,752	6,019,713
<b>Total gains or losses:</b>			
- in profit or loss	81,662	542,339	624,001
Purchases	2,375,962	217,632	2,593,594
Disposals/settlements	(2,258,768)	(1,313,320)	(3,572,088)
<b>Closing balance</b>	<u>4,352,817</u>	<u>1,312,403</u>	<u>5,665,220</u>
	Loans to joint ventures £	Unlisted investments £	Total £
<b>31 December 2019</b>			
Opening balance	4,314,016	4,839,209	9,153,225
<b>Total gains or losses</b>			
- in profit or loss	(169,539)	82,464	(87,075)
Purchases	1,680,178	868,944	2,549,122
Disposals/settlements	(1,670,694)	(3,924,865)	(5,595,559)
<b>Closing balance</b>	<u>4,153,961</u>	<u>1,865,752</u>	<u>6,019,713</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**31. Related party transactions**

Transactions with related parties were as follows:

During the year/period, dividend and investment income received were as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Company only</b>		
Subsidiaries	2,937,446	2,539,150
	<hr/>	<hr/>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Group and Company</b>		
Participating interest	25,000	-
Associate	60,000	-
	<hr/>	<hr/>

**Group only**

During the year/period, fee income was received from the following related party entities:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Group and Company</b>		
Participating interest	368,414	300,909
Company is a member	225,000	387,500
	<hr/>	<hr/>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Group only</b>		
General Partners of Limited Partnerships	-	80,163
Company is a member	75,659	-
Participating interest	90,660	20,759
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**FIERA REAL ESTATE UK LIMITED**

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

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**31. Related party transactions (continued)**

During the year/period, the Group received accountancy and administration fee income from the following related parties:

	2020 £	2019 £
<b>Group and Company</b>		
Participating interest	54,714	36,000

Profits attributable from the following related parties have been accounted for within the share of operating profit in joint ventures in the Group profit and loss account:

	2020 £	2019 £
<b>Group and Company</b>		
Participating interest	4,502,402	2,797,007
Company is a member	201,323	194,093
Joint venture	848,041	84,775
Common directors	826,487	-

**Company only**

Subsidiaries

	2020 £	2019 £
<b>Group only</b>		
General partner is a subsidiary	1,897,651	1,576,035

During the period/year, consultancy fees were paid to the following related party companies:

	2020 £	2019 £
<b>Group and Company</b>		
Participating interest	-	15,000

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**FIERA REAL ESTATE UK LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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**31. Related party transactions (continued)**

Amounts due from related parties were as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Group and Company</b>		
Participating interest	5,370,611	5,246,670
Joint ventures	387,102	602,689
Immediate parent company	-	9,138,000
Common control	8,002,976	(95,306)
Common directors	826,487	-
	<hr/>	<hr/>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Company only</b>		
Subsidiaries	1,486,298	1,455,423
	<hr/>	<hr/>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Group only</b>		
Company is a member	640,716	726,092
General partner is a subsidiary	902,343	993,378
Participating interest	119,645	-
	<hr/>	<hr/>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**31. Related party transactions (continued)**

Included within trade debtors are the following inter-company balances owed by:

	2020 £	2019 £
<b>Group and Company</b>		
Participating interest	32,100	184,900
Company is a member	60,000	150,000
General partner is a subsidiary	17,235	1,080
Common control	(11,001)	-
	<b>2020 £</b>	<b>2019 £</b>
<b>Group only</b>		
Participating interest	25,884	-
Company holds small number of units	25,820	-

Included in profits attributable from related parties with common directors is an amount of £826,487 (2019: £nil) arising from an overage arrangement between the Group and Bruton Legacy Limited, a company whose shareholders mirror the share ownership of the Group prior to the acquisition by Fiera Properties (Europe) Limited on 3 April 2019. The overage arrangement awards the Group the right to 20% of profits generated by a development project which had previously formed part of the Group, prior to being sold to Bruton Legacy Limited on 4 March 2019.

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**32. Subsidiaries**

All companies are incorporated in England and Wales, unless otherwise stated.

Company name	Principal activity	Class of shares held	Proportion of ownership interest held by the Group (%)	
			31 December 2020	31 December 2019
Bruton (Member) Limited	Asset management services	Ordinary	100%	100%
Bruton Asset Management Limited	Dormant	Ordinary	100%	100%
Bruton (Bristol FS Project Management) LLP*	Nominee company	Ordinary	100%	100%
FREOF V (Co-Investment) Limited	Investment company	Ordinary	100%	100%
FREOF V (General Partner) LLP*	General partner of limited partnership	Ordinary	100%	100%
FREOF V (GP) Limited	Nominee company	Ordinary	100%	100%
FREOF V (GP 2) Limited	Nominee company	Ordinary	100%	100%
Invista Real Estate Investment Management Holdings Ltd*	Holding company	Ordinary	100%	100%
Invista Real Estate Investment Management Limited*	Property investment management	Ordinary	100%	100%
Opus Land (Pipus) Limited	Dormant	Ordinary	75%	75%
Palmer Capital (Carried Interest Nominee) Limited	Nominee company	Ordinary	100%	100%
Palmer Capital (Carried Interest) LLP*	Investment company	Ordinary	100%	100%
Fiera Real Estate UK (Guernsey) Limited**	Investment company	Ordinary	100%	100%
FRELIF (General Partner II) Limited	General partner	Ordinary	100%	100%
FRELIF (General Partner) Limited	General partner	Ordinary	100%	100%
Fiera Real Estate Investors UK (Invista) Limited	Holding company	Ordinary	100%	100%
Fiera Real Estate Investors UK Limited	Property development	Ordinary	100%	100%
Palmer Real Estate Value (General Partner) Limited	General partner	Ordinary	100%	100%
PCDF III (Co-Investment) Limited	Investment company	Ordinary	100%	100%

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**FIERA REAL ESTATE UK LIMITED**

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**32. Subsidiaries (Continued)**

Company name	Principal activity	Class of shares held	Proportion of ownership interest held by the Group (%)	
			31 December 2020	31 December 2019
PCDF III (General Partner) Limited	General partner of limited partnership	Ordinary	100%	100%
FREOF IV (Co-Investment) Limited	Investment company	Ordinary	100%	100%
FREOF IV (General Partner) LLP	General partner of limited partnership	Ordinary	100%	100%
FREOF IV (GP 2) Limited	Nominee company	Ordinary	100%	100%
FREOF IV (GP) Limited	Nominee company	Ordinary	100%	100%
Fiera Real Estate (Arcona Holdings) Limited	Investment company	Ordinary	100%	100%
Walbrook Land (Clink Street Project Management) Limited	Nominee company	Ordinary	90%	90%
Walbrook Land Limited	Property development	Ordinary	100%	100%
Cubex Land Limited	Property development	Ordinary	78%	33%
Cubex Management Services Limited*	Property development	Ordinary	78%	n/a
Fiera Real Estate Debt Strategies (Europe) Limited	Dormant	Ordinary	100%	n/a

\*Indirectly held by the Company

\*\*Incorporated in Guernsey

**Addresses**

The registered office address for Fiera Real Estate UK (Guernsey) Limited is Anson Court Les Route des Camps, St Martin, Guernsey, GY4 6AD.

The registered office address for all other subsidiary undertakings listed above; Is Third Floor Queensberry House, 3 Old Burlington Street, London, United Kingdom, W1S 3AE.

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**33. Joint ventures and associates**

All companies are incorporated in England and Wales, unless otherwise stated.

All entities have a year end of 31 March, unless otherwise stated.

			Proportion of ownership interest held by the Group (%)	
Company name	Principal activity	Addresses	31 December 2020	31 December 2019
<u>Associates</u>				
Angle Property Limited	Property development	5	33%	33%
Danescroft Land Limited	Property development	5	34%	34%
Harlex Property Limited	Property development	5	33%	33%
Manse LLP	Property development	5	33%	33%
Opus Land Limited	Property development	5	33%	33%
Opus Land (North) Limited	Property development	4	33%	33%
Packaged Living Limited	Property development	5	33%	33%
Packaged Living Homes Limited	Property development	5	33%	n/a
Parkserve Limited*	Facility management company	1	25%	25%
Queensbury Capital Limited**	Property development	5	33%	33%
Wrenbridge Land Limited	Property development	5	33%	33%
Wrenbridge (Sport) Limited	Property development	5	25%	25%
<u>Joint Ventures</u>				
Angle Property (Amersham Project Management) Limited	Nominee Company	5	38%	38%
Angle Property (Battersea Project Management) Limited	Nominee Company	5	33%	33%
Angle Property (Headley Court Project Management) LLP	Nominee Company	5	33%	33%
Angle Property (Rectory Farm Asset Management) LLP	Nominee Company	5	33%	33%
Angle Property (Rivernook Project Management) Limited	Nominee Company	5	33%	33%
Angle Property (Shepperton Asset Management) LLP	Nominee Company	5	33%	33%

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**32. Subsidiaries (Continued)**

The following companies are exempt from publishing audited accounts under Section 479A of the Companies Act 2006:

<b>Company name</b>	<b>Registration Number</b>
Bruton Asset Management Limited	5777017
Bruton (Member) Limited	10079810
FIERA Real Estate (Arcona Holdings) Limited (formerly PCP European Holdings Limited)	6289352
FIERA Real Estate Investors UK (Invista) Limited (formerly Palmer Capital Investors (India) Limited)	8092373
FRELIF (General Partner) Limited (formerly Palmer Capital Income (General Partner) Limited)	6851857
FRELIF (General Partner II) Limited (formerly Palmer Capital Income (General Partner II) Limited)	7001923
FREOF IV (Co-Investment) Limited (formerly PCDF IV (Co-Investment) Limited)	10501716
FREOF IV (General Partner) LLP (formerly PCDF IV (General Partner) LLP)	OC414748
FREOF IV (GP) Limited (formerly PCDF IV (GP) Limited)	10487236
FREOF IV (GP 2) Limited (formerly PCDF IV (GP 2) Limited)	10487179
Palmer Capital (Carried Interest) LLP	OC385281
Palmer Capital (Carried Interest Nominee) Limited	8538431
Palmer Real Estate Value (General Partner) Limited	8538430
PCDF III (Co-Investment) Limited	8956597
PCDF III (General Partner) Limited	8927114
Walbrook Land Limited	5906531
Cubex Land Limited	5179869
FREOF V (GP) LIMITED	12181224
FREOF V (GP 2) LIMITED	12181221
FREOF V (GENERAL PARTNER) LLP	OC428688
FREOF V (CO-INVESTMENT) LIMITED	12206592
INVISTA REAL ESTATE INVESTMENT MANAGEMENT HOLDINGS LIMITED	05788425

**FIERA REAL ESTATE UK LIMITED**

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**33. Joint ventures and associates (Continued)**

Company name	Principal activity	Addresses	Proportion of ownership interest held by the Group (%)	
			31 December 2020	31 December 2019
Angle Property (St Albans Project Management) Limited	Nominee Company	5	33%	33%
Angle Property (Terlings Park Project Management) Limited	Property development	1	44%	44%
Angle Property (Thame Project Management) LLP	Nominee Company	5	33%	33%
Angle Property (Olney Project Management) LLP	Nominee Company	5	33%	33%
Angle Property (Sunbury Project Management) LLP	Nominee Company	5	33%	33%
Angle Property (Olney Park) LLP	Property development	5	33%	n/a
Angle Property (Bracknell Project Management) LLP	Property development	5	33%	n/a
Bruton (Kintbury) LLP	Property development	5	20%	n/a
Bruton (PCDF IV Bristol FS) LLP	Property development	5	4%	4%
Bruton (PCDF IV Developer FS) LLP	Property development	5	4%	4%
Bruton (PCDF IV Office Developer FS) LLP	Property development	5	4%	n/a
Cubex Land (Aurora Project Management) Limited	Nominee Company	5	44%	44%
Cubex Land (Salisbury Project Management) Limited	Nominee Company	5	50%	50%
Danescroft (Albion Court) LLP	Property development	5	33%	33%
Danescroft (Barnet Project Management) Limited	Nominee Company	5	33%	33%
Danescroft (Binfield Project Management) LLP	Nominee Company	5	33%	33%
Danescroft (Chichester Asset Management) LLP	Nominee Company	5	33%	33%
Danescroft (Crawley Asset Management) LLP	Nominee Company	5	33%	33%
Danescroft (FREOF V Bracknell PM) LLP	Nominee Company	5	33%	33%
Danescroft (FREOF V Willingdon PM) LLP	Nominee Company	5	33%	n/a
Danescroft (Hastings PM) LLP	Nominee Company	5	33%	n/a
Danescroft (Kenavon Drive Project Management) LLP	Nominee Company	5	33%	33%
Danescroft (Langley) LLP	Property development	5	33%	33%
Danescroft (Newport Pagnell Asset Management) LLP	Nominee Company	5	33%	33%
Danescroft (Swindon Project Management) LLP	Nominee Company	5	33%	33%

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**33. Joint ventures and associates (Continued)**

Company name	Principal activity	Addresses	Proportion of ownership interest held by the Group (%)	
			31 December 2020	31 December 2019
Danescroft (Warfield Project Management) Limited	Nominee Company	5	42%	42%
Danescroft (West Drayton Project Management) Limited	Nominee Company	5	42%	42%
Danescroft (Whitfield Project Management) Limited	Nominee Company	5	33%	n/a
Danescroft Development Management LLP	Nominee Company	5	-	-
Danescroft (Bromley By Bow 2) Limited	Property development	5	50%	50%
Harlex (Timperley Asset Management) LLP	Nominee Company	5	33%	33%
Harlex (Wirral Project Management) LLP	Dormant	5	-	-
Manse (Ayr Project Management) LLP	Nominee Company	5	50%	50%
Manse (Seafield) LLP (formerly Manse (East Kilbride) LLP)	Property development	5	50%	50%
Manse Opus (Ansty) LLP	Property development	5	25%	25%
Manse Opus Ansty (Plot 1A) LLP	Property development	5	33%	33%
Manse Opus Ansty (Plot 1B) LLP	Property development	5	33%	n/a
Manse Opus Ansty (Plot 1C) LLP	Property development	5	33%	n/a
Newmarket Road LLP	Property development	2	33%	33%
Opus (Kingswood) LLP	Dormant	5	33%	33%
Opus Land (Leamington) LLP	Property development	5	33%	33%
Opus Land (Tamworth) LLP	Property development	5	33%	33%
Opus Land (Oldbury Project Management) LLP	Nominee Company	5	33%	33%
Opus Land (Warwick) LLP	Property development	5	33%	33%
Opus Land (Wolverhampton) LLP	Property development	5	33%	n/a
Opus Land (Trinity) LLP	Property development	5	33%	n/a
Opus Land (Catshill) LLP	Property development	5	33%	n/a
Opus Land (Gallows Hill) LLP	Property development	5	33%	33%
Opus Land North (Cockermouth) Limited	Property development	4	50%	50%
Opus North (Flaxby) LLP	Property development	5	33%	n/a
Opus Land North (Llandudno) Limited	Property development	4	50%	50%
Opus Land North (Union Mills) Limited	Property development	4	50%	50%
Opus North (Bierley) LLP	Property development	5	33%	33%

**FIERA REAL ESTATE UK LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**33. Joint ventures and associates (Continued)**

Company name	Principal activity	Addresses	Proportion of ownership interest held by the Group (%)	
			31 December 2020	31 December 2019
Opus North (Dalton New Bridge) LLP	Property development	5	33%	33%
Opus North (Flaxby) LLP	Property development	5	33%	n/a
Opus North (FREOF V Leeds PM) LLP	Nominee Company	5	33%	33%
Opus North (Spofforth Project Management) LLP	Nominee Company	5	50%	50%
Opus North (TED Project Management) Limited	Nominee Company	5	50%	50%
Opus North (Worksop) LLP	Property development	5	50%	50%
Packaged Living (Aubrey Place Development) LLP	Property development	5	33%	33%
Packaged Living (FREOF V Cardiff PM) LLP	Nominee Company	5	33%	n/a
Packaged Living (FREOF V Heyrod PM) LLP	Nominee Company	5	33%	33%
Packaged Living (Newcastle PM) LLP	Nominee Company	5	33%	33%
Queensbury (Wood Green) LLP	Property development	5	33%	n/a
Queensbury (Curzon) LLP	Property development	5	33%	n/a
Wrenbridge (Barnet Project Management) Limited	Nominee Company	5	33%	33%
Wrenbridge (Bar Hill) LLP	Property development	5	33%	n/a
Wrenbridge (Braintree) LLP	Property development	5	33%	33%
Wrenbridge (Dartford 2) LLP	Property development	5	33%	33%
Wrenbridge (Waltham Cross) LLP	Property development	5	33%	33%
Wrenbridge (Bedford) LLP	Property development	5	33%	33%
Wrenbridge (Opus 1) LLP	Property development	5	33%	33%
Wrenbridge (Aylesford) LLP	Property development	5	33%	33%
Wrenbridge (Beckton) LLP	Property development	5	33%	33%
Wrenbridge (Belvedere 2 Project Management) Limited	Nominee Company	5	37%	37%
Wrenbridge (Belvedere Project Management) Limited	Nominee Company	5	33%	33%
Wrenbridge (Brackmills) Limited	Dormant	2	33%	33%
Wrenbridge (Colworth Project Management) Limited	Nominee Company	5	33%	33%
Wrenbridge (FREOF V Bishops Stortford PM) LLP	Nominee Company	5	33%	n/a
Wrenbridge (FREOF V Houghton Regis PM) LLP	Nominee Company	5	33%	n/a
Wrenbridge (FREOF V Dartford PM) LLP	Nominee Company	5	33%	n/a
Wrenbridge (Grafton) Limited	Dormant	2	33%	33%

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**33. Joint ventures and associates (Continued)**

Company name	Principal activity	Addresses	Proportion of ownership interest held by the Group (%)	
			31 December 2020	31 December 2019
Wrenbridge (Rainham) Limited	Property development	2	33%	33%
Wrenbridge (Snodland) LLP	Property development	5	33%	33%
Wrenbridge (Stevenage) LLP	Property development	5	33%	n/a
Wrenbridge (Tufton Street) Limited	Dormant	2	33%	33%
Wrenbridge (Woking Project Management) Limited	Nominee Company	5	33%	33%
Wrenbridge (Basildon Project Management) LLP	Nominee Company	5	33%	33%
Wrenbridge (Crawley Project Management) LLP	Nominee Company	5	33%	33%
Wrenbridge (Ruislip Project Management) LLP	Nominee Company	5	33%	33%
Wrenbridge (Clapham) LLP	Property development	2	33%	33%
Wrenbridge (Dartford) LLP	Property development	2	33%	33%
Wrenbridge (Freightmaster Rainham ) LLP	Property development	2	33%	33%
Wrenbridge (Harlow) LLP	Property development	2	33%	33%
Wrenbridge (Opus 3) LLP	Property development	5	33%	33%
Wrenbridge Sport (Scarborough) LLP	Property development	5	33%	33%

\*This entity has a year end of 31 December and was placed into liquidation on 6th July 2019.

\*\*The entity has a year end of 31 December.

**Registered Offices:**

1. 15 Westferry Circus, Canary Wharf, London, E14 4HD
2. Mill House Mill Court, Great Shelford, Cambridge, Cambridgeshire, CB22 5LD
3. Time & Life Building, 1 Bruton Street, London, W1J 6TL
4. 35 Brook Street, Ilkley, West Yorkshire, LS29 8AG
5. Third Floor Queensberry House, 3 Old Burlington Street, London, W1S 3AE

FIERA REAL ESTATE UK LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**34. Business combinations during the year**

**34.1 Subsidiaries acquired**

During the year, the Company acquired an additional 44.44% stake in Cubex Land Limited, an entity in which it held an existing 33.33% associate stake, thereby increasing its total shareholding to 77.78%. From the date of acquisition, by virtue of its shareholding, the Group holds the majority of voting rights and as such Cubex Land Limited is fully consolidated as a subsidiary from that date. By increasing its investment, the Group hopes to benefit from revenue generated by existing and prospective contracts undertaken by the subsidiary.

<b>Name</b>	<b>Principal activity</b>	<b>Date of acquisition</b>	<b>Proportion of voting equity interests acquired %</b>	<b>Consideration transferred £</b>
Cubex Land Limited	Property development	01/10/20	44.44	209,040
				209,040

The entire consideration of £209,040 was transferred in cash.

**34.2 Assets acquired and liabilities recognised at the date of acquisition**

	<b>Cubex Land Limited £</b>	<b>Total £</b>
<b>Non-current assets</b>		
Property, plant and equipment	7,431	7,431
Intangible assets: customer contracts	165,804	165,804
Investments	100	100
Right-of-use assets	49,875	49,875
<b>Current assets</b>		
Cash and cash equivalents	13,945	13,945
Trade and other receivables	106,810	106,810
<b>Non-current liabilities</b>		
Lease liabilities	(8,905)	(8,905)
<b>Current liabilities</b>		
Trade and other liabilities	(23,249)	(23,249)
Lease liabilities	(40,970)	(40,970)
Loans and borrowings	(1,201)	(1,201)
<b>Net identifiable assets acquired</b>	269,640	269,640

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FIERA REAL ESTATE UK LIMITED

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**34. Business combinations during the year (continued)**

**34.2 Assets acquired and liabilities recognised at the date of acquisition (continued)**

There were no acquisitions in the period ending 31 December 2019.

**Acquired receivables**

The fair value of acquired trade receivables is £55,406. The gross contractual amount for trade receivables due is also £55,406, with no loss allowance recognised on acquisition.

**34.3 Non-controlling interests**

For the non-controlling interests in Cubex Land Limited, the Group elected to recognise the non-controlling interests at its proportionate share of the acquired net identifiable assets. See note 4.2 for the Group's accounting policies for business combinations.

**34.4 Goodwill arising on acquisition**

	<b>Cubex Land Limited £</b>
Consideration transferred	209,040
Non-controlling interests	25,765
Fair value of previously held investment	34,835
Fair value of identifiable net assets acquired	(269,640)
<b>Goodwill arising on acquisition</b>	<b>-</b>

**34.5 Net cash outflow on acquisition**

	<b>2020 £</b>
Consideration paid in cash	209,040
Less: cash and cash equivalent balances acquired	(13,945)
	<b>195,095</b>

**34.6 Impact of acquisition on the results of the Group**

The acquired business contributed revenues of £400,659 and net profit of £299,187 to the Group for the period from 1 October 2020 to 31 December 2020.

If the acquisition had occurred on 1 January 2020, consolidated pro-forma revenue and profit for the year ended 31 December 2020 would have been £5,410,163 and £4,848,207 respectively.

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**35. Parent and controlling party**

The Company is subsidiary of Fiera Properties (Europe) Limited which is the immediate parent company, registered in England and Wales. The Company's registered office is at Third Floor Queensberry House, 3 Old Burlington Street, London, United Kingdom, W1S 3AE.

The ultimate controlling party and the ultimate controlling party is Fiera Capital Corporation, a company registered in Canada. Other than this set of financial statements, the smallest and largest group in which results of the Company are consolidated is Fiera Capital Corporation. A copy of the consolidated financial statements of Fiera Capital Corporation are available from Company's registered address 1981 McGill College Avenue, Suite 1500 Montreal, Quebec, Canada H3A 0H5.