

Company Registration No. 04674960 (England and Wales)

SPACE ARCHITECTURE (EUROPE) LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2016

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SPACE ARCHITECTURE (EUROPE) LIMITED

COMPANY INFORMATION

Director	RJ Charlton
Secretary	N McGlew
Company number	04674960
Registered office	Spaceworks Benton Park Road Benton Newcastle upon Tyne NE7 7LX
Auditor	RSM UK Audit LLP Chartered Accountants 1 St James' Gate Newcastle upon Tyne NE1 4AD
Bankers	National Westminster Bank plc 87 Grey Street Newcastle upon Tyne NE99 1PY Santander UK Plc 6 South Administration Block Bridle Road Bootle Merseyside L30 4GB

SPACE ARCHITECTURE (EUROPE) LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 30 JUNE 2016

The director presents his annual report and financial statements for the year ended 30 June 2016.

Principal activities

The principal activity of the company continued to be that of the provision of architectural and technical consultancy services.

Financial risk management objectives and policies

The main risks associated with the company's financial assets and liabilities are set out below.

Interest rate risk

Interest on the overdraft is charged at a variable rate. Therefore financial assets, liabilities, interest charges, and interest income and cash flows can be affected by movements in interest rates. The risk is reduced and managed by regularly reviewing the rates available to the company.

Price risk

There is no significant exposure to changes in the carrying value of financial liabilities because these bear interest at floating rates.

Credit risk

The majority of company debtors are in relation to amounts owed as set out in agreed legal contracts. Therefore, the company does not consider there to be a significant credit risk.

Liquidity risk

The company aims to mitigate liquidity risk by managing cash generated by its operations in the most effective manner. It is company policy to invoice amounts recoverable on contracts as soon as possible and all amounts owed by the debtors are to be collected promptly. All capital expenditure must be approved by the director.

Director

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

RJ Charlton

Auditor

The auditor, RSM UK Audit LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



RJ Charlton

Director

30/11/16

SPACE ARCHITECTURE (EUROPE) LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2016

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPACE ARCHITECTURE (EUROPE) LIMITED

We have audited the financial statements on pages 5 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of director and auditor

As more fully explained in the Director's Responsibilities Statement set out on page 2, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements and, based on the work undertaken in the course of our audit, the Director's Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Director's Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPACE GROUP (EUROPE) LIMITED (CONTINUED)

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the director's report.

Iain Corner

Iain Corner (Senior Statutory Auditor)
for and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

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2 December 2016

SPACE ARCHITECTURE (EUROPE) LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 £	2015 £
Turnover		5,265,219	5,043,108
Cost of sales		(3,115,734)	(3,360,651)
Gross profit		2,149,485	1,682,457
Administrative expenses		(1,286,869)	(1,387,491)
Other operating income		219,914	226,461
Operating profit	2	1,082,530	521,427
Interest receivable and similar income		603	698
Interest payable and similar expenses		(57,271)	(47,604)
Profit on ordinary activities before taxation		1,025,862	474,521
Taxation		(79,583)	20,202
Profit for the financial year		946,279	494,723
Retained earnings at 1 July 2015		1,260,224	1,057,532
Dividends	5	(173,324)	(292,031)
Retained earnings at 30 June 2016		<u>2,033,179</u>	<u>1,260,224</u>

SPACE ARCHITECTURE (EUROPE) LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2016**

	Notes	2016 £	£	2015 £	£
Fixed assets					
Intangible assets	6		304		608
Tangible assets	7		3,231,056		3,296,565
			<u>3,231,360</u>		<u>3,297,173</u>
Current assets					
Debtors	8	2,328,613		1,894,801	
Cash at bank and in hand		441,723		326,521	
		<u>2,770,336</u>		<u>2,221,322</u>	
Creditors: amounts falling due within one year	9	<u>(1,387,671)</u>		<u>(1,253,528)</u>	
Net current assets			<u>1,382,665</u>		<u>967,794</u>
Total assets less current liabilities			<u>4,614,025</u>		<u>4,264,967</u>
Creditors: amounts falling due after more than one year	10		(2,265,889)		(2,650,561)
Provisions for liabilities	11		<u>(114,957)</u>		<u>(154,182)</u>
Net assets			<u><u>2,233,179</u></u>		<u><u>1,460,224</u></u>
Capital and reserves					
Called up share capital	12		200,000		200,000
Profit and loss reserves			<u>2,033,179</u>		<u>1,260,224</u>
Total equity			<u><u>2,233,179</u></u>		<u><u>1,460,224</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and signed by the director and authorised for issue on 30/11/16



RJ Charlton
Director

SPACE ARCHITECTURE (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

Company information

Space Architecture (Europe) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Spaceworks, Benton Park Road, Benton, Newcastle upon Tyne, NE7 7LX.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements are the first financial statements of Space Architecture (Europe) Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of Space Architecture (Europe) Limited for the year ended 30 June 2015 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Turnover

Turnover represents amounts chargeable to clients for services provided during the year, excluding VAT. Turnover is recognised when a right to consideration has been obtained through performance under each contract. Consideration accrues as contract activity progresses by reference to the value of work performed. Turnover is not recognised where the right to receive payment is contingent on events outside of the control of the company.

Unbilled revenue is included in debtors as 'amounts recoverable on contracts'. Amounts billed on account in excess of the amounts recognised as revenue are included in creditors.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

SPACE ARCHITECTURE (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies (Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Intangible assets	33.3% straight line
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Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold Property	2% straight line
Fixtures & Fittings	33.3% - 37.5% straight line
Motor vehicles	33.3% straight line
Equipment	33.3% - 37.5% straight line

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

SPACE ARCHITECTURE (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies (Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

SPACE ARCHITECTURE (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies (Continued)

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities recognised have been discounted.

Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required as part of the cost of stock or fixed assets.

Retirement benefits

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

SPACE ARCHITECTURE (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies (Continued)

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	9,500	8,300
Operating lease rentals		
- Plant and machinery	7,262	7,149
- Other assets	63,013	78,278
	<u>70,275</u>	<u>85,727</u>

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016 Number	2015 Number
Technical staff	61	55
Administrative staff	17	19
	<u>78</u>	<u>74</u>

4 Director's remuneration

	2016 £	2015 £
Remuneration paid to the director	<u>42,292</u>	<u>127,744</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2015 - 1).

SPACE ARCHITECTURE (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

5 Dividends

	2016 £	2015 £
Final paid	173,324	292,031
	<u>173,324</u>	<u>292,031</u>

6 Intangible fixed assets

	Intangible assets £
Cost	
At 1 July 2015 and 30 June 2016	912
Amortisation and impairment	
At 1 July 2015	304
Amortisation charged for the year	304
At 30 June 2016	608
Carrying amount	
At 30 June 2016	304
At 30 June 2015	608

7 Tangible fixed assets

	Freehold Property £	Fixtures & Motor vehicles Fittings £	£	Equipment £	Total £
Cost					
At 1 July 2015	3,781,409	460,119	1,412	1,001,550	5,244,490
Additions	-	27,351	-	58,034	85,385
At 30 June 2016	<u>3,781,409</u>	<u>487,470</u>	<u>1,412</u>	<u>1,059,584</u>	<u>5,329,875</u>
Depreciation and impairment					
At 1 July 2015	599,744	420,868	1,412	925,901	1,947,925
Depreciation charged in the year	78,078	24,050	-	48,766	150,894
At 30 June 2016	<u>677,822</u>	<u>444,918</u>	<u>1,412</u>	<u>974,667</u>	<u>2,098,819</u>
Carrying amount					
At 30 June 2016	<u>3,103,587</u>	<u>42,552</u>	<u>-</u>	<u>84,917</u>	<u>3,231,056</u>
At 30 June 2015	<u>3,181,665</u>	<u>39,251</u>	<u>-</u>	<u>75,649</u>	<u>3,296,565</u>

SPACE ARCHITECTURE (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

8 Debtors

	2016	2015
	£	£
Amounts falling due within one year:		
Trade debtors	1,352,575	839,659
Amounts recoverable on long term contracts	6,281	6,281
Amounts owed by group undertakings	804,194	804,194
Other debtors	3,660	3,399
Prepayments and accrued income	161,903	241,268
	<u>2,328,613</u>	<u>1,894,801</u>

9 Creditors: amounts falling due within one year

	2016	2015
	£	£
Bank loans	262,090	256,601
Obligations under finance leases	11,000	-
Other borrowings	126,509	50,000
Trade creditors	156,067	380,914
Corporation tax	215,199	116,006
Other taxation and social security	381,650	233,105
Other creditors	40,759	36,909
Accruals and deferred income	194,397	179,993
	<u>1,387,671</u>	<u>1,253,528</u>

Disclosed under creditors falling due within one year are bank loans of £262,090 (2015: £256,601) which are secured by the company by the way of a first charge over the company's assets.

Disclosed under creditors falling due within one year are obligations under finance lease of £11,000 (2015: £nil) which are secured against the assets to which they relate.

SPACE ARCHITECTURE (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

10 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans	2,142,528	2,404,728
Obligations under finance leases	24,037	-
Other borrowings	99,324	245,833
	<u>2,265,889</u>	<u>2,650,561</u>

Disclosed under creditors falling due after more than one year are bank loans of £2,142,528 (2015: £2,404,728) which are secured by the company by the way of a first charge over the company's assets.

Disclosed under creditors falling due after more than one year are obligations under finance lease of £24,037 (2015: £nil) which are secured against the assets to which they relate.

Amounts included above which fall due after five years are as follows:

Payable by instalments	<u>1,265,116</u>	<u>1,473,799</u>
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11 Provisions for liabilities

	2016 £	2015 £
Indemnity claims provision	50,000	100,000
Deferred tax liabilities	64,957	54,182
	<u>114,957</u>	<u>154,182</u>

Movements on provisions apart from retirement benefits and deferred tax liabilities:

	Indemnity claims provision £
At 1 July 2015	100,000
Release of provision	(50,000)
At 30 June 2016	<u>50,000</u>

Provisions for indemnity claims represent the estimated cost to the company of defending and concluding professional liability claims.

SPACE ARCHITECTURE (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

12 Called up share capital

	2016 £	2015 £
Ordinary share capital Issued and fully paid		
200,000 Ordinary shares of £1 each	200,000	200,000

13 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	123,259	122,004
Between two and five years	57,007	120,254
	<u>180,266</u>	<u>242,258</u>

14 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Interest paid 2016 £	2015 £
Key management personnel	<u>2,893</u>	<u>875</u>

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties 2016 £	2015 £
Entities with control, joint control or significant influence over the company	<u>80,000</u>	<u>295,833</u>
	<u>80,000</u>	<u>295,833</u>

At the balance sheet date the director has extended a personal guarantee up to a value of £150,000 (2015: £150,000) in respect of the company's principal bank loan.

SPACE ARCHITECTURE (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

15 Ultimate controlling party

Throughout the year Space Group (Europe) Limited, a company incorporated in the United Kingdom, owned 100% of the share capital of Space Architecture (Europe) Limited. The ultimate parent company is Brunton Holdings Limited, a company incorporated in the United Kingdom, by virtue of its holding of the entire share capital of Space Group (Europe) Limited.

The ultimate controlling party is Mr R J Charlton by virtue of his holding of the majority of the share capital of Brunton Holdings Limited, the ultimate parent company.

16 Reconciliations on adoption of FRS 102

There were no adjustments to equity on 1 July 2014, equity as at 30 June 2015 or to the profit for the year ended 30 June 2015 as a result of transitioning to FRS 102.