

Report of the Directors and
Financial Statements for year ended
31 December 2020

SpaceandPeople plc

SpaceandPeople plc

Highlights

Financial Highlights

Revenue of £2.8 million (2019: restated £7.7 million)

Operating loss before non-recurring costs of £2.1 million (2019: restated profit of £0.1 million)

Basic Earnings per Share before non-recurring costs and discontinued operation loss of 7.2p (2019: restated profit of 0.3p)

Borrowings net of cash at year end of £0.9 million with additional available facilities of £1.3 million (2019: net cash of £0.5 million)

Operational Highlights

Nancy Cullen appointed as Chief Executive Officer

Extended periods of lockdown in the UK and Germany had a fundamental impact on trading during the year

£1.0 million CBILS term loan obtained in the first half of 2020

Significant new business agreements won for former Intu venues

Post Year End Highlights

Further lockdowns in the UK and Germany continuing to have an impact on trading

Long term refinancing of business secured using additional government CBILS lending

Extension of major Landsec agreement in the UK

Improved new five-year agreement with ECE in Germany

SpaceandPeople plc

Contents

	Page
Chairman's Statement	3
Chief Executive Officer's Review	4
Operating and Financial Review	7
Report of the Directors	9
Strategic Report	13
Corporate Governance Report	16
Remuneration Report	22
Report of the Independent Auditors	24
Consolidated Group Statement of Comprehensive Income	29
Consolidated Group Statement of Financial Position	30
Consolidated Group Statement of Cash Flows	31
Consolidated Group Statement of Changes in Equity	32
Notes to the Group Financial Statements	33
Company Statement of Financial Position	53
Company Statement of Cash Flows	54
Company Statement of Changes in Equity	55
Notes to the Company Financial Statements	56
Company Information	64

SpaceandPeople plc

Chairman's Statement

For the 12 months ended 31 December 2020

There has not been a more turbulent period for the markets in which we operate than the one we have faced since March 2020 and this is reflected in the financial performance of the business in the year ended 31 December 2020 and continues into the 2021 financial year. It is through the hard work and resilience of all of our staff and management that SpaceandPeople has not only survived these difficult market conditions, but has actually built a stronger base as we hopefully head into a period of more stability and economic recovery.

The hard decisions have been made and actions taken to ensure costs have been aligned to new operating levels and cash conserved. SpaceandPeople India has been exited and a significant non-cash write down of Retail Profile's goodwill made to reflect the new environment.

However, new contract wins in the UK, particularly of many former Intu venues and the recently announced extension and expansion of the ECE contract in Germany, together with the successful re-financing of the Group's borrowing facilities, provide confidence in the future of the business.

These developments and the financial performance of the Group are covered in more detail in Nancy Cullen's CEO Report and Gregor Dunlay's Operating and Financial Review.

This is Nancy's first report as CEO and I would like to take this opportunity to record the Board's appreciation of her predecessor, Matthew Bending. Matthew made an immense contribution to the Group over 20 years and his dedication and passion helped build the business including its expansion into Germany. We wish him well for the future.

There were two other Board changes in the year. Graham Bird joined as a non-executive director and his experience has been very useful through the Covid-19 pandemic. Andrew Keiller stepped up to the Board and was promoted to Chief Operating Officer during the year and is a key member of the senior executive management team alongside Nancy and Gregor.

Finally, on behalf of my Board colleagues, I would like to thank all of our staff and management across the business for their hard work and resilience in 2020 and their continued commitment to the Group in the year ahead.



George Watt
Chairman
3 June 2021

Introduction

The events of 2020, caused by Covid-19, had a profound effect on the world and our business was impacted significantly by the pandemic and the associated periods of lockdown across the countries in which we operate. Since I wrote my report in the Interim Financial Statements, lockdowns have continued to be a huge impediment to our ability to carry out our business. It is fair to say that steering the Group through this is not how I would have ideally liked to begin as CEO, however, it has been extremely encouraging to see how well our staff, clients, business partners and promoters have responded to the unprecedented challenges and I am extremely grateful for their ongoing help and support.

As we have previously discussed, since the start of the Covid-19 pandemic and the first announcement of retail closures in March 2020 there has been a major effect on our business, the consequences of which were felt throughout the year, even during periods when restrictions were eased and business was back up and running. Buyer uncertainty regarding future lockdowns and differing rules by nation led to a patchy and inconsistent return to business during the year. Whenever lockdown was eased, trading in centres was difficult and limited by social distancing. The effects of the pandemic were felt across all our venues in both the UK and Germany.

Throughout, the safety and security of our staff has been paramount and we quickly and successfully managed the transition from being an office-based company to working from home with the appropriate support for staff in place. Over this period, we adopted a three-phase strategy "Survive, Revive, Thrive" and I am delighted that we are now coming out of the Revive phase and looking to capitalise on an evolving market with plenty of opportunities for growth. We have refocused our business to ensure that our clients remain absolutely at the centre of everything we do whilst keeping the Group strong, focused, relevant, and secure.

Reorganisation

As previously reported in the 2019 Annual Report and 2020 Interim Report, SpaceandPeople took early and decisive action to protect against the inevitable cashflow issues caused by the pandemic. The key elements of this were:

- **Secure appropriate funding** – In April 2020, we secured a £1 million CBILS term loan through our principal banking partner in addition to our existing lending facilities. This allowed the business to plan how to trade through and plan for the emergence from the initial periods of lockdown. As the third period of lockdown loomed, we worked with our lenders again to secure an additional £0.5 million of lending and refinanced our previous facilities that were due to mature in 2021 on a more long-term basis. This has ensured that we continue to have good cash headroom in the business and have been able to meet our liabilities as they become due;
- **Utilise government support** – In both the UK and Germany, we have used the appropriate government salary support schemes wherever possible to help protect employment and retain the required members of staff at that time. This support has continued into 2021, although we have now brought the majority of staff back into the business;
- **Cost reductions** – Along with additional funding and support, we still needed to review our structure and overheads from the perspective of what was required, what could be supported and what the likely future scale of the business would be. It was clear to us that when we emerged from the pandemic, the size and focus of the business would be very different from before. A targeted number of roles

unfortunately had to be made redundant, overheads such as office and travel costs were reduced significantly and detailed consideration was given to simplifying, automating and rationalising processes throughout the business. This has led to annualised cost savings of over £1.0 million that will remain even once the business grows again;

- **Cash management** – Throughout 2020 and in to 2021, the business ensured that strict cash management was implemented. There was a moratorium on hiring new staff, capital expenditure and discretionary expenditure. Offers of extended payment terms were also taken up where appropriate and targeted revenue collection was put in place.

Overall, these actions have played a huge part in securing the current viability of our business without jeopardising the future.

New business opportunities

Although business was extremely slow during the closure of non-essential retail, there were plenty of opportunities to win new clients and renew agreements with existing clients. We were delighted, during 2020 and early 2021, to announce that we had successfully entered into new agreements with significant venues including the Metrocentre, Lakeside, Braehead and Victoria Nottingham as well as over 900 regional railway stations (including Thameslink, Southern, Northern, Gatwick Express, Merseyrail and Greater Anglia) to complement our existing major Network Rail portfolio.

We also successfully secured an extension to our contract with Landsec until 2026 and we won several other venues such as The Potteries, Stoke on Trent, Watford Shopping Centre (now Atria) and Chapelfield, Norwich (now Chantry Place). As a business we now have an unparalleled network of mall spaces in premium venues which we exclusively manage.

Significantly, we have recently announced a further agreement with ECE, our major German client, which secures our retail business in Germany for the next 5 years. I am very grateful to our two German managers Stefan Zwiechowski and Issam Chalghoumi for their diligent work in securing this contract with Germany's most prestigious property manager/owner. The executive team at SpaceandPeople will continue to work closely with our German colleagues to ensure that this business maximises the opportunity of this new agreement.

SpaceandPeople India

Over the last few years management has been reviewing the core proposition of the Group. Over time, the direction of the Indian subsidiary has diverged from our specialisation in commercialisation. This had become a distraction from our main focus and our reluctance to follow the direction local management were wanting to take was inhibiting their ability to secure the viability and growth of that business. As a result, we took the decision in early 2021 to dispose of our full shareholding in this business. As the shareholding was disposed of for a nominal amount, the carrying value of SpaceandPeople India has been provided for in full as at the year end. On an emotional level, this was a very difficult decision to make and I would like to take the opportunity to thank the Managing Director, Paresh Khivesara, and his team for their enthusiasm and hard work in establishing SpaceandPeople in India and I wish them the very best of luck moving forward.

Outlook

As a result of all the above, we emerge from this difficult and unprecedented year focussed, motivated and with a significantly increased portfolio of venues. We have the prospect of increasing our sales force over the coming months as business returns to fully take advantage of revenue opportunities. We recognise the strategic importance to our property partners of the activity which we provide which brings vitality, individuality and income to their venues and we are intent on bringing business back up and beyond previous year levels as soon as possible using our significantly enhanced venue portfolio as the lever for this.

Our business has evolved over the years and now holds increasing relevance as the drive towards tactical and short-term physical retailing is seen as an important aspect of brands' omnichannel retail strategies, providing a seamless retail experiences to their customers. Our ability to secure spaces in high footfall venues, to provide kiosks in these spaces and to assist retailers to activate physical retailing whenever they choose and with minimal administration puts us in a unique position to support nascent, online brands and entrepreneurs moving forward. We have proved over the years that mall retail customers can become long term operators and ultimately, we aim for some of the brands that we book to become the retail unit tenants of the future in our partner venues.

We are excited about the prospect of a world where pop up/short-term retail and brand vibrancy are seen as critical features of the property mix. We have a series of new initiatives and products designed to support new retail offers and we are looking to streamline sales with our systems including the ability to book our spaces online via a new booking portal.

Summary

This is the first full year CEO review that I have prepared for you and, as you can see, it has been an exceptionally challenging time for the business. I can report that we are now emerging from the last 12 months of stasis with a team in place that is focussed, motivated and experienced. We also have a vastly strengthened portfolio in the UK and an improved long-term contract with ECE in Germany.

In the UK, with our venues all now open and trading we are seeing business levels increasing on a daily basis and we are cautiously optimistic about the prospects for the next 12 months on the basis that promoter and retailer demand as well as consumer behaviour returns as expected. As I write this, non-essential retail remains closed in Germany, however, we have a pipeline of occupiers looking to return to the malls as soon as they reopen and there is some interesting cross fertilisation of retailers occurring between the UK and Germany.

I would like to take this opportunity to pass a very big thank you to all our staff across both countries for their incredible resilience, adaptability and willingness to work across new sectors and in new ways. Without their stoicism and hard work, we would not be in the positive position we currently are.

As a result of our experiences and successes over the last 12 months we are excited about the prospects for 2021 and beyond, focused on success both in the UK and Germany and committed to returning SpaceandPeople to profitability as quickly and efficiently as possible.



Nancy Cullen
Chief Executive Officer
3 June 2021

SpaceandPeople plc

Operating and Financial Review

For the 12 months ended 31 December 2020

Due to the unprecedented challenges the Group faced during 2020 as a result of the Covid-19 pandemic, the focus of the business was on ensuring that it had sufficient resources to survive the enforced periods of lockdown. During these periods, the business was unable to trade and used the Job Retention Scheme (“JRS”) in the UK, the equivalent scheme in Germany and the Coronavirus Business Interruption Loan Scheme to minimise cash outflow and secure sufficient working capital. The Group traded wherever possible during the periods when restrictions were eased, however, the associated uncertainty had an enormous impact on the desire and ability of promoters and retailers to trade with us during this time. The principal focus of the Group remains the concentration of efforts on our core business units of promotions, Retail Merchandising Units (“RMUs”) and Mobile Promotions Kiosks (“MPKs”) in both the UK and Germany.

Group revenue was 64% lower than in the previous year, due to the unavailability of venues for bookings for the majority of 2020.

Efforts to reduce costs resulted in a 65% reduction in UK cost of sales where venues remained closed while German cost of sales remained in line with revenue as trading resumed for periods of the year. Group administrative expenses also fell by 12% compared with the previous year.

As a result, the Group generated an operating loss before non-recurring costs of £2.1 million compared with a profit of £0.1 million in 2019.

The Group also had non-recurring charges during the year of £1.4 million. These were in relation to a £1.1m impairment in the carrying value of goodwill relating to the UK Retail sub-group and costs incurred in relation to the reduction in the number of staff in the UK and Germany of £0.3 million. With the exception of costs in relation to the reduction in the number of staff, these costs were non-cash items.

Revenue

Revenue generated in 2020 was £2.8 million, which was £4.9 million (64%) lower than in the previous year. Due to a change in the revenue recognition policy, explained in note 3 to the financial statements, this revenue amount of £2.8 million includes £0.6 million of revenue in relation to bookings that were taken in prior years, but were due to take place in 2020.

Of the £0.6 million included in 2020 revenue due to the change in policy, £0.5 million was subsequently cancelled and credited due to unavailability of venues due to lockdown periods during the year. Therefore, only £0.1 million of the revenue generated in 2020 related to bookings brought forward as a result of the change in policy.

UK promotional revenue fell by 77% to £0.8 million (including the net £0.1 million due to the change in revenue recognition policy less subsequent cancellations and credits) compared with 2019. This fall was entirely as a result of the lockdowns and restrictions we faced as a result of the Covid-19 pandemic. UK retail revenue fell by 67% to £0.9 million in 2020 for the same reason. Due to lockdowns, the utilisation of RMUs in operation in the UK fell by 59% and the availability of MPKs fell by 61%.

Revenue in the German retail division increased by 5% despite the extensive lockdowns as a result of a 13% increase in the average number of RMUs in operation during the year to 60 RMUs (2019: 53 RMUs). This was due to the renewal of the agreement with ECE in 2019, for a significantly increased number of RMUs during 2020.

German promotional revenue decreased by 85% compared with the previous year as the remaining long-term bookings came to an end. It is not anticipated that this division will generate any significant new business for the foreseeable future.

Administrative Expenses

The focus on driving efficiency in the business through reducing administrative expenses continued in 2020. The 12% reduction of £0.6 million followed a £0.4 million (8%) reduction in the previous year. Government support in both the UK and Germany to support salaries during 2020 of £0.6 million is disclosed within other operating income.

The average number of people employed in the business fell by 12 to 68 in 2020. This was primarily due to a reduction in the number of telesales and commercial staff from 41 to 30, as a result of the decision to reduce headcount during the summer of 2020.

Losses

The operating loss before non-recurring costs was £2.1 million (2019: profit of £0.1 million).

Basic Earnings per Share ("EPS") fell to (17.2)p (2019: positive 0.3p). Fully diluted EPS fell to (17.2)p (2019: positive 0.3p). Basic EPS is calculated as profit after tax and attributable to the owners of the Company divided by the weighted average number of shares in issue during the year which was 19,519,563 (2019: 19,519,563).

Basic EPS excluding non-recurring costs and discontinued operations fell to (7.2)p (2019: positive 0.3p).

Fully diluted EPS excluding non-recurring costs and discontinued operations fell to (7.2)p (2019: positive 0.3p).

Fully diluted EPS also takes into account the number of shares that would be issued on the exercise of outstanding share options. The weighted average number of shares used to calculate the diluted EPS was 21,053,117 (2019: 20,990,883).

Cash Flow

The Group cash outflow from operations was £1.2 million (2019: inflow of £0.2 million). This was due to EBITDA being a loss of £2.5 million and there being an offsetting movement of £1.3 million in working capital. As at the end of 2020, the Group had drawn down £1.75 million of its banking facilities (2019: £0.75 million). With the gross cash position being £0.4 million lower at the end of 2020 than 2019 at £0.8 million (2019: £1.2 million), this resulted in borrowings net of cash being £0.9 million (2019: net cash asset of £0.5 million).



Gregor Dunlay
Chief Financial Officer
3 June 2021

SpaceandPeople plc

Report of the Directors

For the 12 months ended 31 December 2020

The Directors present their annual report and audited financial statements of SpaceandPeople plc for the year ended 31 December 2020.

Key Performance Indicators

The main financial key performance indicators are profit before taxation and non-recurring costs attributable to owners of the Company and basic EPS. During the year, the loss before taxation and non-recurring costs attributable to owners of the Company was £2.5 million (2019 as restated: profit of £0.1 million) and basic EPS before non-recurring costs was a loss of 14.3p (2019: profit of 0.4p).

The Group maintains records of every booking ever undertaken and continually monitors several key areas:

- revenue against target and prior period;
- profitability against target and prior period;
- venue acquisition, performance and attrition;
- promoter and operator types compared with historic bookings; and
- commission and occupancy rates.

Principal Risks and Uncertainties

The principal risks and uncertainties affecting the Group are explained in the Strategic Report on pages 13 to 15.

Dividends

No dividend was paid during 2020 (2019: 0.5p per share). The Directors are not proposing a final dividend in relation to the 2020 results, due to the Covid-19 pandemic and the consequential need to restore cash reserves.

The Directors and Their Interests

The Directors who served during the period under review were:

W G Watt	Non-Executive Chairman
M J Bending	Chief Executive Officer – resigned 18 September 2020
N J Cullen	Chief Executive Officer
A J Keiller	Chief Operating Officer – appointed 18 March 2020
G R Dunlay	Chief Financial Officer
S R Curtis	Non-Executive Director
G J Bird	Non-Executive Director – appointed 6 January 2020

Directors' interests in the ordinary shares of the Group and in share options are disclosed in the Remuneration Report on pages 22 to 23.

Substantial Shareholdings

At the date of this report, the following substantial shareholdings representing more than 3% of the Group's issued share capital, other than those held by the Directors, have been notified to the Group:

Ordinary 1p Shares	Number	%
Gresham House Strategic plc	3,162,500	16.20
M J Bending	2,102,000	10.77
A V Stirling	1,632,684	8.36
G Oury	840,000	4.30
R & V Millington	655,000	3.36

Statement of Directors' Responsibilities

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group and Company financial statements in accordance with International Financial Reporting Standards (IFRSs). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and company and of the profit or loss of the Group for that period. The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the AIM Market.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group, for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a directors' report and directors' remuneration report.

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Statement as to Disclosure of Information to Auditors

At the date of this report, as far as each of the Directors is aware:

- there is no relevant audit information (as defined in the Companies Act 2006) of which the Group's auditors are unaware; and
- each Director has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

Going Concern

The Directors are required to prepare the statutory financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business. In satisfaction of this responsibility the Directors have considered the Group's ability to meet its liabilities as they fall due.

The Group meets its day-to-day cash requirements through working capital management and the use of existing bank overdraft and loan facilities. Management information tools including budgets and cash flow forecasts are used to monitor and manage current and future liquidity.

The Group also pays special attention to the Covid-19 pandemic and the associated impact on the business, which is detailed within the Chief Executive Officer's Review. This includes:

- The availability of venues and space to sell on behalf of our customers
- Interruption to operations due to an absence of staff for a period due to either contracting the virus or measures taken to contain an outbreak in our offices;
- A fall in revenue and decreased cash flow due to lower general economic activity throughout the UK and Germany.

Although it is not possible to reliably estimate when we will fully return to normal, at the date of signing, the restrictions on mobility and the opening non-essential shops have been significantly implemented in the UK and is imminent in Germany. However, the Group acknowledges this could change suddenly depending on how the situation evolves and whether there are interruptions to business or supply as detailed above.

The current and future financial position of the Group, its cash flows and liquidity position have been reviewed by the Directors. They have taken a prudent view on the likely gradual recovery in each of the Group's divisions and have stress tested these assumptions to ensure that cash flows and liquidity are sufficiently robust to allow the Group to continue to trade during this period.

The Group is managing its cash flows prudently through a number of methods, including:

- The JRS in the UK and the German equivalent for staff based there;
- Implementing planned and additional overhead reductions as timeously as possible;
- Accessing £2.0 million of term loans and £0.75 million of overdraft facilities through the CBIL scheme;
- Suspension of minimum income guarantees with landlords;
- Halting discretionary capital expenditure.

The Directors are confident that the additional funding facilities and support from our bankers provides sufficient headroom to meet the forecast cash requirements, having considered any additional requirements as a result of trading being lower than the revised forecasts and further mitigation that they could put in place to counter this (specifically in relation to the Covid-19 pandemic). The Group's current and long-term forecast outlook has provided further assurance to the Directors regarding its financial position.

As such, the Directors consider that it is appropriate to prepare the financial statements on the going concern basis.

Charitable Donations

There were no donations to political parties or charitable organisations during the period (2019: £nil).

Financial Risk Review

Detailed financial risk management objectives and policies are disclosed in note 23 in the accounts.

Employment Policies

The Group is committed to complying with applicable employment laws in each country in which it operates and to fair employment practices, including prohibiting all forms of discrimination as well as granting equal access and fair treatment to all employees on the basis of merit. Wherever possible we provide the same opportunities for disabled people as for others and if employees become disabled, we would make every effort to keep them in our employment, with appropriate training where required.

Health and Safety Policies

The Group is committed to providing a safe environment for its staff and all other parties for which the Group has a legal or moral responsibility in this area. The Group has a Health and Safety policy which is enforced rigorously.

Auditor

Azets Audit Services have expressed their willingness to continue in office as auditors of the Group and their re-appointment will be proposed at the Annual General Meeting to be held on 30 June 2021.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'G. Dunlay', with a long horizontal flourish extending to the right.

Gregor Dunlay
Chief Financial Officer
3 June 2021

SpaceandPeople plc

Strategic Report

For the 12 months ended 31 December 2020

Principal Activities

The principal activity of the Group is the marketing and selling of promotional and retail licensing space on behalf of shopping centres, retail parks, railway stations and other venues throughout the UK and Germany.

The strategy, objectives and business model of the Group are developed by the executive directors and the senior management team, and then approved by the Board. The management team, led by the Chief Executive Officer, is responsible for implementing the strategy and managing the business at an operational level.

The Group has a diverse portfolio of shopping centre, railway station and retail park clients. The Group continuously looks for new clients and potential revenue streams to help grow and diversify the business and deliver sustainable growth in value for shareholders.

Review of Business and Future Developments

The results for the period and the financial position of the Group are shown in the financial statements on pages 29 to 32.

The review of the business and a summary of future developments are included in the Chairman's Statement, the Chief Executive Officer's Review and the Operating and Financial Review on pages 4 to 6 and pages 7 to 8.

Principal Risks and Uncertainties

The principal risks identified in the business are:

Covid-19 – Covid-19 has created substantial risks to the Group. These are covered in detail within the Chief Executive Officer's Review on pages 4 to 6.

Loss of client(s) – Each year a number of the Group's contracts with clients come to an end. At this point, some are renewed, some are not renewed and others are renegotiated. When the amount of business that we transact with an established client reduces, it can take time to replace this income with business from new clients. The Group is not overly reliant on any single client and the loss of a significant client, although unwelcome, would not put the viability of the business at risk.

Credit risk – The Group is exposed to credit risk from its operating activities, namely its trade receivables. This risk is managed by undertaking regular credit evaluations of its customers. The Group applies the IFRS 9 simplified approach to measuring expected credit losses on trade receivables. To measure the expected credit losses, trade receivables were considered on a days past due basis. The expected loss rates are based on the Group's historical default rates adjusted for forward looking estimates. The identified impairment loss arising following the application of the expected credit loss model was not material to these financial statements. Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a repayment plan with the Group and a failure to make agreed contractual payments. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of any amounts are credited against the same line item.

Loss of key personnel – The unexpected loss of a member of our senior management team could have a negative effect on the business in the short term, however, we have a management team of six members who are encouraged to engage with and assist their colleagues in other areas of the business to ensure that understanding and exchange of ideas is a core element of their roles. This ensures that the business is not at risk while we seek to replace the member or conduct a reorganisation of the team.

System failure – Whilst no guarantees can be given that all possible eventualities are covered, the Group has comprehensive and strict policies and contingency plans concerning power outages, telecommunications failure, virus protection, hardware and software failure, frequent and full offsite backup of all data and disaster recovery. Contracts and service level agreements are in place with reputable suppliers to ensure that any disruption and risk to the business is kept to an absolute minimum. The adequacy and appropriateness of these policies and plans are reviewed on a regular basis. Hardware and systems upgrades are performed regularly and our disaster recovery process was tested thoroughly during the past year. The IT systems in our German office are scheduled to be updated significantly during 2021.

Legal claims – The Group constantly reviews its exposure to possible legal claims and takes appropriate advice and action to protect both itself and its clients where any avoidable risk is identified, for example, by amending terms and conditions, service agreements, licences and/or risk assessments.

Health & safety – The health and safety of our employees and any visitors to any of our sites is of utmost importance. We are fully committed to complying with all relevant laws and regulations in order to provide a safe and healthy environment. The UK business is ISO 45001 certified which proactively improves our occupational health and safety systems. During 2020, the Group moved its head office to new accommodation and has carried out the necessary risk assessments and implemented appropriate procedures as a result. Due to the Covid-19 pandemic, as at this time, the majority of staff continue to work from home and those who are required to attend their place of work follow documented procedures in relation to Covid-19 security that have been explained to each of them.

Cyber security – The Group has robust systems in place to protect all data held on its IT systems. All corporate and personal data relating to clients, licensees and staff is held on secure servers, in encrypted files and behind robust firewalls. The appropriateness and effectiveness of our cyber security is tested by external advisors on a regular basis.

Financial reporting – A comprehensive budgeting process is completed once a year and is reviewed and approved by the Board. This budget is revised twice throughout the year and performance against the budget and forecasts is reviewed by the management team on a monthly basis and by the Board at each Board meeting. If the Board believes that as a result of the performance to date during the year, or as a result of any changes to the forecasts for the remainder of the year, the results of the Group are likely to differ materially from the results that are expected by the market, the Board will communicate this to the market at the earliest possible opportunity. The Group places a high priority on regular communications with its various stakeholder groups and aims to ensure that all communications concerning the Group's activities are clear, fair and accurate. The Group's website is regularly updated and announcements or details of presentations and events are posted onto it.

Banking covenants – The Group has a number of banking covenants in relation to its borrowing facilities. Compliance with these covenants is assessed on an ongoing basis and any actual or potential breach is communicated to the Board and all other relevant parties as required. As at the date of this report, all of the Group's banking covenants have been suspended by the lender until the end of September 2021 as a result of the Covid-19 pandemic. The Group's compliance with these covenants is assessed on an ongoing basis and any actual or potential breach is communicated to the Board and all other relevant parties as required.

Brexit – As anticipated, the UK's departure from the EU has not had a significant impact on the operations of the Group. Although the Group has subsidiaries based in Germany, there is no cross-border trade between the companies and as a result, the physical and logistical impact of Brexit does not have a significant impact on the operations of the Group. The possible macro-economic impacts of Brexit are more likely to affect the performance of the Group and the Board and staff will continue to react to any situation at the earliest opportunity.

Key Performance Indicators

The key performance indicators are:

	2020	2019 as restated
Revenue (£ million)	2.8	7.7
Operating (loss) / profit before non-recurring costs (£ million)	(2.1)	0.1
Basic (loss) / earnings per share before non-recurring costs and discontinued operation (p)	(7.2)	0.3
Average number of Retail Merchandising Units (RMUs)	81	103
Average number of Mobile Promotions Kiosks (MPKs)	21	54

By order of the Board



Gregor Dunlay
Company Secretary
3 June 2021

SpaceandPeople plc

Corporate Governance Report

For the 12 months ended 31 December 2020

Introduction

SpaceandPeople plc is quoted on the AIM Market of the London Stock Exchange and has adopted the principals of the Quoted Companies Alliance Corporate Governance Code (the "QCA Code"), establishing governance procedures and policies that are considered appropriate to the nature and size of the Group. This report sets out the procedures and systems currently in place and explains why the Board considers them to be effective. The Board is committed to maintaining high standards of corporate governance and reviews the requirement to comply with the QCA Code on a regular basis.

1. Establish a strategy and business model which promote long-term value for shareholders

The principal objective of the Group is to market and sell promotional and retail space on behalf of our clients throughout the countries in which we operate.

The strategy, objectives and business model of the Group are developed by the executive directors and the senior management team, and then approved by the Board. The management team, led by the Chief Executive Officer, is responsible for implementing the strategy and managing the business at an operational level.

The Group has a diverse portfolio of shopping centre, railway station and retail park clients. The Group continuously looks for new clients and potential revenue streams to help grow and diversify the business and deliver sustainable growth in value for shareholders.

The Group diversifies its risk by having a number of clients in different territories, none of which on their own would put the viability of the business at risk should they terminate the relationship.

As a result of the Covid-19 pandemic, every venue in each territory in which we operate was affected simultaneously and this had a fundamental impact on the Group's ability to trade. The risk to the business was mitigated as much as possible by reducing overheads, using the JRS in the UK and its German equivalent, obtaining additional funding through the CBILS and developing strategies to ensure that we were able to meet the differing needs of our clients as we emerge from lockdown.

2. Seek to understand and meet shareholder needs and expectations

The Group seeks to maintain regular dialogue with both existing and potential shareholders in order to communicate the Group's strategy and progress and to understand the needs and expectations of shareholders.

Beyond the Annual General Meeting, the Chief Executive Officer, Chief Financial Officer and, where appropriate, other members of the senior management team meet regularly with investors and analysts to provide them with updates on the Group's business and to obtain feedback regarding the market's expectations of the Group. The Group's investor relations activities encompass dialogue with both institutional and private investors.

The Company also endeavours to maintain a dialogue and keep shareholders informed through its public announcements and Company website. SpaceandPeople's website provides not only information specifically relevant to investors (such as the Group's annual report and accounts and investor presentations) but also regarding the nature of the business itself with considerable detail regarding the services it provides and the manner in which it carries on its business.

The Annual General Meeting of the Company, normally attended by all Directors, provides the Directors the opportunity to report to shareholders on current and proposed operations and developments, and also enables shareholders to express their views of the Group's business activities. Shareholders are encouraged to attend

and are invited to ask questions during the meeting and to meet with the Directors after the formal proceedings have ended.

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Group is aware of its corporate social responsibilities and the need to maintain effective working relationships across a range of stakeholder groups. These include the Group's employees, clients and suppliers. The Group's operations and working methodologies take account of the need to balance the needs of all of these stakeholder groups while maintaining focus on the Board's primary responsibility to promote the success of the Group for the benefit of its members as a whole. The Group endeavours to take account of feedback received from stakeholders, making amendments to working arrangements and operational plans where appropriate and where such amendments are consistent with the Group's longer-term strategy.

The Group takes due account of any negative impact that its activities may have on the environment and seeks to minimise this wherever possible. Through the various procedures and systems, it operates, the Group ensures full compliance with health and safety and environmental legislation relevant to its activities and is ISO 9001, 14001 & 45001 certified.

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board is responsible for the systems of risk management and internal control and for reviewing their effectiveness. The internal controls are designed to manage rather than eliminate risk and provide reasonable but not absolute assurance against material misstatement or loss. Through the activities of the Audit Committee, the effectiveness of these internal controls is reviewed twice annually.

A summary of the principal risks and uncertainties facing the Group, as well as mitigating actions, are set out on pages 13 and 14 of this report.

A comprehensive budgeting process is completed once a year and is reviewed and approved by the Board. This budget is revised twice throughout the year and performance against the budget and forecasts is reviewed by the management team on a monthly basis and by the Board at each Board meeting. Since early 2020, the Board has been revising the forecast for the current and future years on a more frequent basis to ensure that the Group reacts quickly to the changing environment caused by Covid-19.

The Group maintains appropriate insurance cover in respect of actions taken against the Directors because of their roles, as well as against material loss or claims against the Group. The insured values and type of cover are comprehensively reviewed on a periodic basis.

5. Maintain the Board as a well-functioning, balanced team led by the Chair

SpaceandPeople's Board currently comprises 3 Executive Directors and 3 Non-executive Directors, including a Non-executive Chairman who is responsible for leadership by the Board and ensuring all aspects of its role.

All of the Directors are subject to election by shareholders at the first Annual General Meeting after their appointment to the Board and will continue to seek re-election at least once every three years.

The Board is responsible to the shareholders for the proper management of the Group and meets at least eight times a year to set the overall direction and strategy of the Group and to review operational and financial performance. All key operational and investment decisions are subject to Board approval.

A summary of Board and Committee meetings held in the year ended 31 December 2020, and Directors' attendance records, is set out on page 20.

The Board considers itself to be sufficiently independent and adheres to the QCA Code recommendation that a board should have at least two independent Non-executive Directors. All of the Non-executive Directors

who currently sit on the Board of the Company are regarded as independent under the QCA Code's guidance for determining such independence.

6. Ensure that between them, the directors have the necessary up-to-date experience, skills and capabilities

The Board considers that all of the Non-executive Directors are of sufficient competence and calibre to add strength and objectivity to its activities, and bring considerable experience in scientific, operational and financial development of biopharmaceutical products and companies.

The Board regularly reviews the composition of the Board to ensure that it has the necessary breadth and depth of skills to support the ongoing development of the Group.

The Chairman, in conjunction with the Company Secretary, ensures that the Directors' knowledge is kept up to date on key issues and developments pertaining to the Group, its operational environment and to the Directors' responsibilities as members of the Board. During the year, the Directors received updates from the Company Secretary and various external advisers on a number of corporate governance matters.

Directors' service contracts or appointment letters and the terms of reference of the sub-committees of the Board make provision for a Director to seek personal advice in furtherance of his or her duties and responsibilities.

7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Group's Directors are evaluated each year by way of peer appraisal. The appraisal seeks to determine the effectiveness and performance of each member with regards to their specific roles as well as their role as a Board member in general.

The appraisal system seeks to identify areas of concern and make recommendations for any training or development to enable the Board member to meet their objectives which will be set for the following year. The appraisal process will also review the progress made against prior period targets to ensure any identified skill gaps are addressed.

Whilst the Board considers this evaluation process is currently best carried out internally, the Board will keep this under review and may consider independent external evaluation reviews in the future.

As well as the appraisal process, the Board monitor the Non-executive Directors' status as independent to ensure a suitable balance of independent Non-executive and Executive Directors remains in place.

The Board may utilise the results of the evaluation process when considering the adequacy of the composition of the Board and for succession planning. Succession planning is formally considered by the Board on an annual basis, in conjunction with the appraisal process.

8. Promote a corporate culture that is based on ethical values and behaviours

The Board seeks to maintain the highest standards of integrity and probity in the conduct of the Group's operations. These values are enshrined in the written policies and working practices adopted by all employees in the Group. An open culture is encouraged within the Group, with regular communications to staff regarding progress and staff feedback regularly sought. Senior management continually monitor the Group's cultural environment and seeks to address any concerns that may arise, escalating these to Board level, as necessary.

The Group is committed to providing a safe environment for its staff and all other parties for which the Group has a legal or moral responsibility in this area. The Group has a Health and Safety policy which is enforced rigorously.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board has overall responsibility for promoting the success of the Group. The Executive Directors have day-to-day responsibility for the operational management of the Group's activities. The Non-executive Directors are responsible for bringing independent and objective judgment to Board decisions.

There is a clear separation of the roles of Chief Executive Officer and Non-executive Chairman. The Chairman is responsible for overseeing the running of the Board, ensuring that no individual or group dominates the Board's decision-making and ensuring the Non-executive Directors are properly briefed on matters. The Chairman has overall responsibility for corporate governance matters of the Group. The Chief Executive Officer has overall responsibility for implementing the strategy of the Board and managing the day-to-day business activities of the Group. The Company Secretary is responsible for ensuring that Board procedures are followed and applicable rules and regulations are complied with.

The Board has established an Audit Committee and a Remuneration Committee with formally delegated duties and responsibilities. Mr George Watt chairs the Audit Committee and Mr Steve Curtis chairs the Remuneration Committee. The Group considers that, at this stage of its development and given the current size of its Board, it is not necessary to establish a formal Nominations Committee. Instead, appointments to the Board are made by the Board as a whole. This position, however, is reviewed on a regular basis by the Board.

The Audit Committee normally meets twice a year and at other times if necessary and has responsibility for, amongst other things, planning and reviewing the annual report and accounts and interim statements involving, where appropriate, the external auditors. The Committee also approves external auditors' fees and ensures the auditors' independence as well as focusing on compliance with legal requirements and accounting standards. It is also responsible for ensuring that an effective system of internal control is maintained. The ultimate responsibility for reviewing and approving the annual financial statements and interim statements remains with the Board. The Company's external auditors are invited to attend meetings of the Committee on a regular basis.

The Remuneration Committee, which meets as required, but at least once a year, has responsibility for making recommendations to the Board on the compensation of senior executives and determining, within agreed terms of reference, the specific remuneration packages for each of the Executive Directors. It also supervises the Company's share incentive schemes and sets performance conditions for share options granted under the schemes.

The Remuneration Report for the year ended 31 December 2020 is set out on pages 22 and 23 of this report.

10. Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Group places a high priority on regular communications with its various stakeholder groups and aims to ensure that all communications concerning the Group's activities are clear, fair and accurate. The Group's website is regularly updated and announcements or details of presentations and events are posted onto the website.

The results of voting on all resolutions in future general meetings will be posted to the Group's website, including any actions to be taken as a result of resolutions for which votes against have been received from at least 20 per cent of independent shareholders.

Each year at the Annual General Meeting, one-third of the Directors are required to retire by rotation, provided all Directors are subject to re-election at intervals of no more than three years. This year George Watt and Gregor Dunlay are scheduled to retire by rotation. Both Directors have confirmed their willingness to be put forward for re-election.

The Board has established two committees to deal with specific aspects of the Board's affairs: Audit and Remuneration Committees.

Attendance at Board and Committee Meetings

Attendance of Directors at Board and Committee meetings convened in the year, along with the number of meetings that they were invited to attend, are set out below:

	Board		Remuneration Committee		Audit Committee	
	Held	Attended	Held	Attended	Held	Attended
M J Bending – Chief Executive Officer ¹	5	5	-	-	-	-
N J Cullen – Chief Operating Officer	8	7	-	-	-	-
G R Dunlay – Chief Financial Officer	8	8	-	-	-	-
A J Keiller – Client Services Director ²	8	8	-	-	-	-
G J Bird – Non-executive Director ³	8	8	-	-	2	2
S R Curtis – Non-Executive Director	8	8	1	1	-	-
W G Watt – Non-Executive Chairman	8	8	1	1	2	2

1. Resigned 18 September 2020

2. Appointed 18 March 2020

3. Appointed 6 January 2020

Audit Committee

During 2020, the Audit Committee comprised George Watt (Chairman) and Graham Bird. The Board considers that the members of the Committee have recent and relevant financial experience. If required, the Committee is entitled to request independent advice at the Company's expense for it to effectively discharge its responsibilities.

The Committee's main role and responsibilities are to:

- monitor the integrity of the financial statements of the Group;
- review the Group's arrangements in relation to whistleblowing and fraud;
- make recommendations to the Board to be put to shareholders for approval at the AGM, in relation to the appointment of the Company's external auditor;
- discuss the nature, extent and timing of the external auditor's procedures and findings; and
- report to the Board whatever recommendations it deems appropriate on any area within its remit where action or improvement is needed.

The Committee is scheduled to meet twice in each financial year and at other times if necessary.

Internal control procedures

The Board is responsible for the Group's system of internal controls and risk management and has established systems to ensure that an appropriate level of oversight and control is provided. The systems are reviewed for effectiveness annually by the Audit Committee and the Board. The Group's systems of internal control are designed to help the business meet its objectives by appropriately managing, rather than eliminating, the risks to those objectives, and to provide reasonable, but not absolute assurance against material misstatement or loss. Executive Directors and senior management meet to review both the risks facing the business and the controls established to minimise those risks and their effectiveness in operation on an on-going basis. The aim of these reviews is to provide reasonable assurance that material risks and problems are identified and appropriate action is taken at an early stage.

Relations with shareholders

The Board recognises the importance of regular and effective communication with shareholders. The primary forms of communication are:

- the annual and interim financial statements;
- investor and analyst presentations and discussions;
- announcements released to the London Stock Exchange; and
- the Annual General Meeting.

SpaceandPeople plc

Remuneration Report

For the 12 months ended 31 December 2020

Remuneration Committee

The Group has a Remuneration Committee comprising two Non-Executive Directors, Steve Curtis (Chairman) and George Watt.

The Committee's main roles and responsibilities are to:

- determine and agree with the Board the remuneration of the Group's Chief Executive, Executive Directors and such other members of the executive management as it is designated to consider;
- review the on-going appropriateness and relevance of the remuneration policy;
- approve any performance related pay schemes and approve the total annual payments made under such schemes; and
- review share incentive plans and for any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to Executive Directors and other senior executives and the performance targets to be used.

The Committee meets at least once a year.

Remuneration of Executive Directors

The Group's policy on the remuneration of Executive Directors is to provide a package of benefits, including salary, bonuses and share options, which reward success and each individual's contribution to the Group's overall performance in an appropriate manner. The remuneration packages of the Executive Directors comprise the following elements:

- Basic salary – The Remuneration Committee sets basic salaries to reflect the responsibilities, skill, knowledge and experience of each Executive Director.
- Bonus scheme – The Executive Directors are eligible to receive a bonus in addition to their basic salary conditional upon both the Group and the individual concerned achieving their performance targets. Performance targets are set for each individual Director to ensure that they are relevant to their role.
- Pensions – Pension contributions to individuals' personal pension plans are payable by the Group at the rate of 5% of the individual Director's basic salary. With effect from April 2021, the Group has introduced a salary sacrifice scheme that enables Directors to sacrifice a proportion of their salary in exchange for additional employer's pension contributions.
- Share options – The Group operates a share option plan for both Executive Directors and employees. Further details of the plan and outstanding options as at 31 December 2020 are given in notes 27 and 28 to the financial statements.
- Other benefits – The Executive Directors are entitled to join the Group's Private Medical Insurance scheme.
- Car Benefits – car benefits have been provided to assist the executive directors in the performance of their roles and are designed to be cost effective.

All the Executive Directors are engaged under service contracts which require a notice period of 12 months.

Remuneration of Non-Executive Directors

The remuneration of the Non-Executive Directors is determined by the Executive Directors.

Directors' remuneration

Details of individual Directors' emoluments for the year are as follows:

	Salary or fees £	Bonuses ¹ £	Other £	Benefits £	Pension contributions £	2020 £	2019 £
W G Watt	30,000	-	-	-	-	30,000	30,000
M J Bending ²	122,417	15,000	183,720	4,745	13,638	339,520	165,221
N J Cullen	147,360	15,000	-	3,380	7,122	172,862	152,748
G R Dunlay	147,360	15,000	-	2,417	7,122	171,899	151,567
A Keiller ³	97,211	15,000	-	6,684	2,916	121,811	-
S R Curtis	25,000	-	-	-	750	25,750	25,688
G Bird ⁴	25,000	-	-	-	-	25,000	-
	594,348	60,000	183,720	17,226	31,548	886,842	525,224

¹ Bonuses were paid in relation to 2019 performance. No bonuses are proposed in relation to 2020.

² Resigned as a Director on 18 September 2020

³ Appointed as a Director on 18 March 2020

⁴ Appointed as a Director on 6 January 2020

Directors' interests in shares

The interests of the Directors in the shares of the Company at 31 December 2020, together with their interests at 31 December 2019, were as follows:

	Number of ordinary 1p shares	
	31 December 2020	31 December 2019
Nancy Cullen	1,333,000	1,333,000
George Watt	347,000	120,000
Gregor Dunlay	10,000	10,000

Directors' interests in share options

The interests of the Directors at 31 December 2020, in options over the ordinary shares of the Company were as follows:

	At 31 December 2019	Granted	Exercised	Surrendered	Lapsed	At 31 December 2019	Exercise Price	Date of Grant	Date from which exercisable	Expiry date
Nancy Cullen	100,000	-	-	-	-	100,000	47.4p	12/01/15	12/01/18	12/01/25
	75,000	-	-	-	75,000	-	22.0p	28/03/17	28/03/20	28/03/27
	300,000	-	-	-	-	300,000	12.0p	01/07/19	01/07/22	01/07/29
Gregor Dunlay	100,000	-	-	-	-	100,000	47.4p	12/01/15	12/01/18	12/01/25
	75,000	-	-	-	75,000	-	22.0p	28/03/17	28/03/20	28/03/27
	300,000	-	-	-	-	300,000	12.0p	01/07/19	01/07/22	01/07/29
Andrew Keiller	25,000	-	-	-	-	25,000	47.4p	12/01/15	12/01/18	12/01/25
	50,000	-	-	-	50,000	-	22.0p	28/03/17	28/03/20	28/03/27
	50,000	-	-	-	-	50,000	12.0p	01/07/19	01/07/22	01/07/29
	100,000	-	-	-	-	100,000	13.5p	01/10/19	01/10/22	01/10/29
Total	1,175,000	-	-	-	200,000	975,000				

All of these share options are subject to performance criteria.



Steve Curtis
Chairman of the Remuneration Committee
3 June 2021

Independent Auditor's Report

To the members of SpaceandPeople PLC

Opinion on the financial statements

We have audited the Group and Parent Company financial statements (the financial statements) of SpaceandPeople PLC for the period ended 31 December 2020 which comprise the following:

- Consolidated Statement of Comprehensive Income;
- Consolidated and Parent Company Statement of Financial Position;
- Consolidated and Parent Company Statement of Changes in Equity;
- Consolidated and Parent Company Cash Flow Statement; and
- The related notes.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRS") as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2020 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been properly prepared in accordance with 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, 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 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.

Key audit matters

Key audit matters are those which were of most significance during the audit of the financial statements for the current period. These matters were addressed during our audit of the financial statements in their entirety and when forming our audit opinion. We do not provide a separate opinion on these matters. For each matter, we have outlined a summary of our response as auditors.

Key audit matter	Description of key audit matter
Goodwill valuation	Goodwill is subject to an annual impairment review. The valuation is dependent on the performance of the underlying entities.
Summary of auditor's response to key audit matter	
In order to gain assurance over the valuation of goodwill we:	
<ul style="list-style-type: none">▪ Examined management's impairment reviews in relation to the carrying value of goodwill to ensure all assumptions and parameters are appropriate to the business and the review had been conducted in accordance with IAS 36.▪ Compared the value of discounted future cash flows to carrying value of Goodwill in order to quantify any impairment.▪ Tested the valuation model to assess the impact of changes in the assumptions used.▪ Checked the impairment model for arithmetic accuracy.▪ Reviewed the adjustments and disclosures made in respect of the identified impairment.	
Our procedures did not reveal any material issues.	

Key audit matter	Description of key audit matter
Revenue recognition	<p>The UK promotion segment of the Group act as an agent for, and invoices on behalf of, customers. There is the risk that third party revenues are included in turnover.</p> <p>The retail segment of the Group invoices rentals in advance. As such there is a risk that deferred income has not been appropriately calculated.</p>
Summary of auditor's response to key audit matter	
We performed the following procedures in order to gain assurance over revenue recognition:	
<ul style="list-style-type: none">▪ In relation to the promotion segment of the Group we reviewed the systems and controls in place and completed substantive testing to ensure that income represents only commissions due to the company.▪ We carried out substantive testing on the promotion segment of the Group to provide assurance that sums invoiced on behalf of, and that are owed to customers, are correctly recorded and disclosed in the financial statements.▪ We reviewed the procedures in the retail segment for identifying revenue invoiced in advance and performed substantive testing on the deferred income balance at the balance sheet date.	
Our procedures did not identify any material issues.	

Key audit matter	Description of key audit matter
Revenue recognition – change in accounting policy	<p>The UK promotion business changed accounting policy during the year to change the revenue recognition point from booking date to date of promotion.</p> <p>A change in accounting policy is required to be applied retrospectively to comparative figures and a prior year adjustment included where required.</p>
Summary of auditor’s response to key audit matter	
<p>We performed the following procedures in order to gain assurance over the appropriateness and application of the change in accounting policy.</p> <ul style="list-style-type: none"> ▪ We reviewed the change in accounting policy and considered whether it met the requirements of IFRS15 Revenue from Contracts with Customers ▪ We carried out substantive testing on the identified adjustments from the change in accounting policy to provide assurance that adjusting amounts were calculated appropriately for all periods impacted. ▪ We reviewed the relevant adjustments and the disclosures relating to the change in accounting policy to consider whether these were in line with relevant accounting and financial reporting standards. 	
Our procedures did not identify any material issues.	

Key audit matter	Description of key audit matter
Going Concern	<p>The company and Group have been significantly impacted by the Coronavirus and associated restrictions in the UK and Germany. As a result, management including the Board, invest significant time to fully consider the ongoing implications on the Group and its component companies.</p> <p>Management considered implications for the Group’s going concern assessment, potential impairment of certain assets and appropriate disclosure in the Annual Report and accounts, through detailed consideration of its funding requirements based on future cash flow model.</p>
Summary of auditor’s response to key audit matter	
<p>We performed the following procedures to gain assurance over the appropriateness of the going concern assumption and related disclosures:</p> <ul style="list-style-type: none"> ▪ We reviewed management’s cash flow forecasts including levers available to management to mitigate the impacts. We also obtained an understanding of the financing facilities, including the nature of facilities, repayment terms and covenants. We then assessed the facility headroom calculations based on management projections and considering the impact of actual performance and cash flows being behind levels forecast by management. ▪ We challenged management on the key assumptions included in the scenarios and confirmed management’s mitigating actions are within their control. We reviewed management’s disclosures in relation to the Coronavirus potential impact and found them to be consistent with information and assumptions used in the cash flow forecasts. 	
Our conclusions are set out in the conclusions relating to going concern section of our report.	

Our application of materiality and an overview of the scope of our audit

Based on our professional judgement, we determined materiality for the Group financial statements at £105,000. Parent Company materiality was assessed at £78,750.

This was determined through reference to benchmarks of Group and Company revenue and net assets. We reported any corrected or uncorrected misstatements greater than £5,250 to the audit committee as well as those which warranted reporting on qualitative grounds.

Our audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risk of material misstatement at a Group level.

In establishing the overall approach to our audit, we assessed the risk of material misstatement, considering the nature, likelihood and potential magnitude of any misstatement. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

The Group operates significant components in the UK and Germany. The UK entities were subject to audit on an individual basis as well as on a Group basis. The German Retail entity was considered on a Group basis. These significant components subject to audit account for 99.1% of the Group's Revenue, 98% of the Group's administrative expenses, 96% of the Group's Total Assets and 94% of the Group's Equity.

The German Promotions business and the Indian subsidiary was considered to be a non-significant components and analytical procedures were performed on these components at Group level. Additional audit procedures are carried out on balances or classes of transactions if considered necessary.

No component auditors were instructed with all audit work carried out by the Group audit team.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, 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 confirm that we have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters which the Companies Act 2006 requires us to report to you 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 10, 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 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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 Report of the Auditors 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.

Azets Audit Services

Greig McKnight

For and on behalf of Azets Audit Services

Titanium I

King's Inch Place

Renfrewshire

PA4 8WF

3 June 2021

SpaceandPeople plc

Consolidated Statement of Comprehensive Income

For the 12 months ended 31 December 2020

	Notes	12 months to 31 December '20 £'000	12 months to 31 December '19 as restated £'000
Continuing Operations			
Revenue	4	2,813	7,655
Cost of sales	4	(1,417)	(2,865)
Gross profit		1,396	4,790
Administration expenses		(4,267)	(4,838)
Other operating income	5	739	175
Operating (loss) / profit before non-recurring costs		(2,132)	127
Non-recurring charges	8	(1,442)	-
Operating (loss) / profit		(3,574)	127
Finance costs	9	(27)	(23)
(Loss) / profit before taxation		(3,601)	104
Taxation	10	519	(21)
(Loss) / profit after taxation		(3,082)	83
Loss from discontinued operation	12	(512)	(41)
(Loss) / profit for the period		(3,594)	42
Other comprehensive income			
Foreign exchange differences on translation of foreign operations		(30)	(21)
Total comprehensive income for the period		(3,624)	21
(Loss) / profit for the period attributable to			
Owners of the Company		(3,355)	60
Non-controlling interests		(239)	(18)
Total comprehensive income for the period attributable to		(3,594)	42
Owners of the Company		(3,385)	39
Non-controlling interests		(239)	(18)
(Loss) / earnings per share	26		
Basic – before non-recurring charges and discontinued operation		(7.2)p	0.3p
Basic – after non-recurring charges and discontinued operation		(17.2)p	0.3p
Diluted – before non-recurring charges and discontinued operation		(7.2)p	0.3p
Diluted – after non-recurring charges and discontinued operation		(17.2)p	0.3p

Consolidated Statement of Financial Position

At 31 December 2020

Company number SC212277

	Notes	31 December '20 £'000	31 December '19 as restated £'000
Assets			
Non-current assets:			
Goodwill	14	6,881	7,981
Other intangible assets	15	-	-
Property, plant & equipment	16	1,028	894
Deferred tax asset		160	-
		8,069	8,875
Current assets:			
Trade & other receivables	17	1,990	3,428
Current tax receivable		176	-
Deferred tax asset	18	47	3
Cash & cash equivalents	19	839	1,227
		3,052	4,658
Total assets		11,121	13,533
Liabilities			
Current liabilities:			
Trade & other payables	20	4,222	4,231
Borrowings repayable within one year	21	972	-
Current tax payable	20	-	82
		5,194	4,313
Non-current liabilities:			
Lease liabilities	22	464	160
Other borrowings	21	778	750
		1,242	910
Total liabilities		6,436	5,223
Net assets		4,685	8,310
Equity			
Share capital	24	195	195
Share premium		4,868	4,868
Special reserve		233	233
Retained earnings		(587)	2,799
Equity attributable to owners of the Company		4,709	8,095
Non-controlling interest		(24)	215
Total equity		4,685	8,310

The financial statements were approved by the Board of Directors and authorised for issue on 3 June 2021.

Signed on behalf of the Board of Directors by:



Nancy Cullen – Director

SpaceandPeople plc

Consolidated Statement of Cash Flows

For the 12 months ended 31 December 2020

	Notes	12 months to 31 December '20 £'000	12 months to 31 December '19 as restated £'000
Cash flows from operating activities			
Cash generated from operations		(1,185)	252
Interest received – discontinued operation	12	6	4
Interest paid	9	(27)	(23)
Taxation		57	(262)
Net cash outflow from operating activities		(1,149)	(29)
Cash flows from investing activities			
Purchase of intangible assets	15	-	(1)
Purchase of property, plant & equipment	16	(32)	(47)
Net cash outflow from investing activities		(32)	(48)
Cash flows from financing activities			
Bank facility drawn		1,000	750
Payment of lease obligations		(207)	(191)
Dividends paid	13	-	(98)
Net cash inflow from financing activities		793	461
(Decrease) / increase in cash and cash equivalents		(388)	384
Cash and cash equivalents at beginning of Period		1,227	843
Cash and cash equivalents at end of period	19	839	1,227
Reconciliation of operating profit to net cash flow from operating activities			
Operating (loss) / profit		(4,092)	82
Write off of goodwill	14	1,100	-
Amortisation of intangible assets	15	-	5
Depreciation of property, plant & Equipment	16	326	551
Effect of foreign exchange rate moves		(33)	(13)
Decrease in receivables		1,438	133
Decrease in payables		76	(506)
Cash (outflow) / inflow from operating activities		(1,185)	252

SpaceandPeople plc

Consolidated Statement of Changes in Equity

For the 12 months ended 31 December 2020

	Share capital £'000	Share premium £'000	Special reserve £'000	Retained Earnings £'000	Non- controlling interest £'000	Total equity £'000
At 31 December 2018 as originally stated	195	4,868	233	3,822	233	9,351
Prior period adjustment *	-	-	-	(964)	-	(964)
At 31 December 2018 as restated	195	4,868	233	2,858	233	8,387
Comprehensive income:						
Foreign currency translation	-	-	-	(21)	-	(21)
Profit/(loss) for the period as restated *	-	-	-	60	(18)	42
Total comprehensive income	-	-	-	39	(18)	21
Transactions with owners:						
Dividends paid	-	-	-	(98)	-	(98)
Total transactions with owners	-	-	-	(98)	-	(98)
At 31 December 2019 as originally stated	195	4,868	233	3,771	215	9,282
Prior period adjustment	-	-	-	(972)	-	(972)
At 31 December 2019 as restated	195	4,868	233	2,799	215	8,310
Comprehensive income:						
Foreign currency translation	-	-	-	(30)	-	(30)
Loss for the period	-	-	-	(3,356)	(239)	(3,595)
Total comprehensive income	-	-	-	(3,386)	(239)	(3,625)
Transactions with owners:						
Dividends paid	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-
At 31 December 2020	195	4,868	233	(587)	(24)	4,685

* See note 2 for details regarding the restatement as the result of the change in revenue recognition policy.

SpaceandPeople plc

Notes to the Financial Statements

For the 12 months ended 31 December 2020

1. General information

SpaceandPeople plc is a public limited company incorporated and domiciled in Scotland (registered number SC212277) which is listed on AIM (dealing code SAL).

2. Basis of preparation

The Group's financial statements for the period ended 31 December 2020 and for the comparative period ended 31 December 2019 have been prepared on a going concern basis under the historical cost convention in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and International Financial Reporting Interpretations Committee (IFRIC) interpretations, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

Going Concern

The Directors are required to prepare the statutory financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business. In satisfaction of this responsibility the Directors have considered the Group's ability to meet its liabilities as they fall due.

The Group meets its day-to-day cash requirements through working capital management and the use of existing bank overdraft and loan facilities. Management information tools including budgets and cash flow forecasts are used to monitor and manage current and future liquidity.

The Group continues to pay special attention to the ongoing Covid-19 pandemic and the associated impact on the business, including:

- The availability of venues and space to sell on behalf of our customers;
- Interruption to operations due to an absence of staff for a period due to either contracting the virus or government measures implemented to control outbreaks; and
- A fall in revenue and decreased cash flow due to lockdowns.

The current and future financial position of the Group, its cash flows and liquidity position continue to be reviewed by the Directors. They take a prudent view on the likely recovery in each of the Group's divisions and have stress tested these assumptions to ensure that cash flows and liquidity are sufficiently robust to allow the Group to continue to trade during this period.

The Group continues to manage its cash flows prudently through a number of methods, including:

- The JRS in the UK and the German equivalent for staff based there;
- Availability of £2.0 million of term loans and £0.75 million of overdraft facilities through the CBIL scheme;
- Suspension of minimum income guarantees with landlords; and
- Pausing planned discretionary capital expenditure.

Since the end of 2020, the Group has refinanced its facilities with its principal banker. The Group now has term loans in place that mature in 2025 and 2027 along with three-year overdraft facilities that are repayable on demand. New covenants are in place that reflect the current trading position and a prudent view of recovery from the pandemic.

The Directors are confident that the additional funding facilities and support from our bankers will provide sufficient headroom to meet the forecast cash requirements. The Group's current and long-term forecast outlook has provided further assurance to the Directors regarding its financial position.

As such, the Directors consider that it is appropriate to prepare the financial statements on the going concern basis.

Accounting developments

New and revised IFRSs applied

<u>Title</u>	<u>Implementation</u>	<u>Effect on Group</u>
Amendments to 'References to the Conceptual Framework in IFRS Standards'	Annual periods beginning on or after 1 January 2020	There is no material impact on the financial statements.
Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)	Annual periods beginning on or after 1 January 2020	There is no material impact on the financial statements.
Definition of a Business (Amendments to IFRS 3)	Annual periods beginning on or after 1 January 2020	There is no material impact on the financial statements.
Definition of Material (Amendments to IAS 1 and IAS 8)	Annual periods beginning on or after 1 January 2020	There is no material impact on the financial statements.

The following amendments will be introduced in future periods

<u>Title</u>	<u>Implementation</u>	<u>Effect on Group</u>
COVID-19 Related Rent Concessions (Amendments to IFRS 16)	Annual period beginning on or after 1 June 2020	The Board does not anticipate any material impact on the financial statements
Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39 and IFRS 7, IFRS 4 and IFRS 16)	Annual periods beginning on or after 1 January 2021	The Board does not anticipate any impact on the financial statements.
Onerous Contracts – Cost of Fulfilling a Contract (Amendment to IAS 37)	Annual periods beginning on or after 1 January 2022	The Board does not anticipate any impact on the financial statements.
Annual Improvements to IFRS Standards 2018 - 2020	Annual periods beginning on or after 1 January 2022	The Board does not anticipate any impact on the financial statements.
Property, Plant and Equipment: Proceeds Before Intended Use (Amendments to IAS 16)	Annual periods beginning on or after 1 January 2022	The Board does not anticipate any impact on the financial statements.
Reference to the Conceptual Framework (Amendments to IFRS 3)	Annual periods beginning on or after 1 January 2022	The Board does not anticipate any impact on the financial statements.
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	Annual periods beginning on or after 1 January 2023	The Board does not anticipate any impact on the financial statements.
IFRS 17 Insurance Contracts and Amendments to IFRS 17 Insurance Contracts	Annual periods beginning on or after 1 January 2023	The Board does not anticipate any impact on the financial statements.

Management anticipates that the standards and interpretations in issue, but not yet effective will be adopted in the financial statements when they become effective and currently foresee no material impact by the adoptions on the financial statements of the Group in the period of initial application. However, this will be assessed further upon implementation.

3. Accounting policies

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. 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 those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss of goodwill is recognised directly in the consolidated statement of comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate is described below.

Investments in subsidiaries

The parent Company's investments in subsidiary undertakings are included in the Company statement of financial position at cost, less provision for any impairment in value.

Revenue

Revenue is measured at the fair value of consideration received or receivable. Revenue is shown net of value-added tax, rebates and discounts and after eliminating intergroup sales. Revenue is recognised when the amount of revenue can be measured reliably, it is probable that future economic benefits will flow to the Group and when the relevant performance obligation is satisfied. The performance obligation is considered to be when the promotional or retail booking occurs. This performance obligation is satisfied over time. Revenue does not contain a financing component nor any element of variable consideration.

Promotion divisions

Revenue in the UK promotion division is recognised at the point at which a promotion takes place and is agreed by all parties. This policy is adopted as our contractual right to commission income is crystallised at this point. Payment of a deposit is typically due when the booking is made with the balance payable 30 days prior to the promotion taking place or in instalments if the promotion is of a duration longer than 30 days.

Revenue in the German promotion division is in relation to historic multi-year bookings ending in 2021. The right to recognise this revenue has already crystallised and therefore it is considered appropriate to recognise this revenue in 2020.

Retail divisions

Revenue in the UK and German retail divisions is recognised in the month during which the booking takes place. This is due to the requirement to match the revenue with performance obligations. Payment is due in advance on a monthly basis.

Change in accounting policy relating to revenue recognition

Under the previous accounting policy, revenue in the UK promotion division was recognised at the point at which a booking was confirmed and was agreed by the promoter and the venue. This was when the contractual right to commission was deemed to occur and payment of a deposit was typically due upon confirmation from which commissions were collected.

Contract renewals and new customer contracts have typically seen the introduction of further requirements on the division in terms of managing the booking, including communications with venue and promoter in advance of and during the promotion. Commercial terms have also evolved so that it is now typical that commission due to the division only becomes due at the date of promotion or in instalments during the promotion rather than at the date the booking was confirmed.

As such, recognising the commission at and during the promotion is the appropriate policy for the division as a whole with revenue being recognised only once the promotion has commenced and the commission amount becomes receivable.

The following table summarises the impact of the change in policy on the profit and net assets of the division and Group.

	12 months to December '20 £,000	12 months to December '19 £'000
Consolidated statement of profit or loss		
Revenue – previous policy	196	3,519
Increase / (decrease) in revenue	600	(8)
Revenue – new policy	<u>796</u>	<u>3,511</u>
	31 December '20 £'000	31 December '19 £'000
Consolidated statement of financial position		
Deferred revenue – previous policy	-	-
Increase in deferred revenue	<u>372</u>	<u>972</u>
Deferred revenue – new policy	<u>372</u>	<u>972</u>

Under the new revenue recognition policy, deferred revenue at 31 December 2018 has increased to £964k from £nil. The impact of this is shown in the Statement of Changes in Equity on page 32.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

Leasing

IFRS 16 requires capitalisation of all leasing agreements with duration exceeding 12 months, whereas the previous regulations only required capitalisation of finance leases. The right-of-use asset and liability to be recognised for each leasing agreement is the present value of the lease payments.

The Group has adopted IFRS 16 retrospectively from 1 January 2019 using the modified retrospective approach, as permitted under the specific transitional provisions in the standard.

The Group applied the following practical expedients as permitted by the standard on transition:

- non recognition of right of use assets and liabilities for leases of low value or for which the lease term ends within 12 months of the date of transition
- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- the exclusion of initial direct costs for the measurement of the right of use asset at the date of initial application
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

At inception, the Group assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the Group recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment.

The right-of-use asset is initially measured at cost, which comprises the present value of minimum lease payments determined at the inception of the lease. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the Group is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the Group's estimate of the amount expected to be payable under a residual value guarantee; or the Group's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

The Group has made judgements in adopting IFRS 16 such as identifying contracts in scope for IFRS 16, determining the interest rate used for the discounting of future cashflows, and the determining lease terms where the lease has extension or termination options.

Property, plant & equipment

Depreciation is provided at the annual rates below in order to write off each asset over its estimated useful life.

Plant & equipment	-	12.5% of cost
Fixtures & fittings	-	25% of cost
Computer equipment	-	25% of cost
Computer software	-	33% of cost

Property, plant & equipment is stated at cost less accumulated depreciation to date.

Intangible assets

Website development costs

The Group capitalises all costs directly attributable to further developing its websites, while costs which relate to on-going maintenance are expensed as they arise. The capitalised costs are depreciated over three years.

Patents and trademarks

The costs of obtaining patents and trademarks are capitalised and written off over the economic life of the asset acquired.

Impairment of non-current assets

The need for any non-current asset impairment is assessed by comparison of the carrying value of the asset against the higher of realisable value and the value in use or, in the case of intangible assets, the anticipated future cash flows arising from the asset.

Taxation

The tax credit or expense represents the sum of tax and deferred tax currently recoverable or payable. Tax currently recoverable or payable is based on the taxable loss or profit for the period. The Group's asset or liability for current tax is calculated using rates that have been enacted or substantially enacted at the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profits and is accounted for using the liability method. Deferred tax liabilities are recognised for all temporary timing differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary

differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition, other than in a business combination, of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Foreign exchange

Items included in the Group's financial statements are measured using Pounds Sterling, which is the currency of the primary economic environment in which the Group operates and is also the Group's presentational currency.

Transactions denominated in foreign currencies are translated into Sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates at that date. These translation differences are dealt with in the profit and loss account.

The income and expenditure of overseas operations are translated at the average rates of exchange during the period. Monetary items on the balance sheet are translated into Sterling at the rate of exchange ruling on the balance sheet date and fixed assets at historical rates. Exchange difference arising are treated as a movement in reserves.

Financial instruments

Financial assets and liabilities are recognised in the Group's balance sheet when it becomes a party to the contractual provisions of the instrument.

Trade and other receivables

Trade and other receivables are carried at original invoice value less an allowance for any uncollectable amounts. An allowance for bad debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off in the income statement when identified.

Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost and comprise cash in hand, cash at bank and deposits with banks.

Trade and other payables

Trade and other payables are carried at amortised costs and represent liabilities for goods or services provided to the Group prior to the period end that are unpaid and arise when the Group becomes obliged to make future payments in respect of these goods and services.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Share based payments

The Group operates a number of equity settled share-based payment schemes under which share options are issued to certain employees. The fair value determined at the grant date of the equity settled share-based payment, where material, is expensed on a straight-line basis over the vesting period. For schemes with only market-based performance conditions, those conditions are considered in arriving at the fair value at grant date.

Pensions

The Group pays contributions to the personal pension schemes of the majority of employees. Contributions are charged to the income statement in the period in which they fall due.

Critical accounting judgements and estimates

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the period. Although these estimates are based on management's best knowledge of current

events and actions, actual results may differ from those estimates. IFRS also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The areas where significant judgements and estimates have been made in the preparation of these financial statements are the useful lives and impairment of non-current and intangible assets, impairment of the value of investment in associates and taxation. Explanations of the methodology and the resultant assumptions are detailed in the relevant accounting policies above and the respective notes to the financial statements.

Borrowing costs

Borrowing costs are amortised over the duration of the loan and recognised throughout the term of the loan.

4. Segmental reporting

The Group maintains its head office in Glasgow and a subsidiary office in Hamburg, Germany. These are reported separately. In addition, the retail business, now trading as POP Retail, has a subsidiary in Germany. The Group has determined that these are the principal operating segments as the performance of these segments is monitored separately and reviewed by the Board.

The following tables present revenues, results and asset and liability information regarding the Group's two core business segments - Promotional Sales and Retail, split by geographic area, after licence fees and management charges made between Group companies. The Other segment incorporates SpaceandPeople India.

<u>Segment revenues and Results for 12 months to 31 December '20</u>	Promotion UK £'000	Promotion Germany £'000	Retail UK £'000	Retail Germany £'000	Head Office £'000	Other £'000	Group £'000
Revenue	796	46	925	1,046	-	-	2,813
Cost of sales	-	-	(753)	(664)	-	-	(1,417)
Administrative expenses	(1,955)	(136)	(250)	(1,069)	(857)	-	(4,267)
Other revenue	439	5	-	295	-	-	739
Non-recurring charges	(18)	(111)	-	-	(1,313)	-	(1,442)
Loss associated with discontinued operation	-	-	-	-	-	(518)	(518)
Segment operating loss	(738)	(196)	(78)	(392)	(2,170)	(518)	(4,092)
Finance costs – continuing operations	(27)	-	-	-	-	-	(27)
Finance income – discontinued operation	-	-	-	-	-	6	6
Segment loss before taxation	(765)	(196)	(78)	(392)	(2,170)	(512)	(4,113)
<u>Segment assets and Liabilities as at 31 December '20</u>	Promotion UK £'000	Promotion Germany £'000	Retail UK £'000	Retail Germany £'000	Other £'000	Group £'000	
Total segment assets	5,327	89	4,735	545	525	11,221	
Total segment liabilities	(5,175)	(45)	(714)	(561)	(41)	(6,536)	
Total net assets	152	44	4,021	(16)	484	4,685	

<u>Segment revenues and results for 12 months to 31 December '19 as restated</u>	Promotion UK £'000	Promotion Germany £'000	Retail UK £'000	Retail Germany £'000	Head Office £'000	Other £'000	Group £'000
Revenue	3,511	312	2,839	993	-	-	7,655
Cost of sales	-	-	(2,160)	(705)	-	-	(2,865)
Administrative expenses	(2,436)	(303)	(272)	(986)	(841)	-	(4,838)
Other revenue	-	74	-	101	-	-	175
Loss associated with discontinued operation	-	-	-	-	-	(45)	(45)
Segment operating profit/(loss)	1,075	83	407	(597)	(841)	(45)	82
Finance costs – continuing operations	(23)	-	-	-	-	-	(23)
Finance income – discontinued operation	-	-	-	-	-	4	4
Segment profit/(loss) before taxation	1,052	83	407	(597)	(841)	(41)	63
<u>Segment assets and liabilities as at 31 December '19 as restated</u>	Promotion UK £'000	Promotion Germany £'000	Retail UK £'000	Retail Germany £'000	Other £'000	Group £'000	
Total segment assets	6,253	285	4,714	738	568	12,558	
Total segment liabilities	(2,897)	(72)	(764)	(489)	(26)	(4,248)	
Total net assets	3,356	213	3,950	249	542	8,310	

5. Other operating income

Other operating income is comprised of:

	12 months to December '20 £'000	12 months to December '19 £'000
Government grants	595	-
Ancillary charges	144	175
	739	175

6. Operating (loss) / profit

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

	12 months to December '20 £'000	12 months to December '19 £'000
Amortisation of intangible assets	-	5
Impairment of goodwill	1,100	-
Depreciation of property, plant and equipment	234	350
Depreciation of right of use assets	263	201
Interest charges in relation to finance lease obligations	61	33
Auditor's remuneration:		
Fees payable for:		
Audit of Company	27	23
Audit of subsidiary undertakings	16	17
Tax services	7	13
Other services	19	18
	69	71
Directors' remuneration	887	525

7. Staff costs

The average number of employees in the Group during the period was as follows:

	12 months to December '20	12 months to December '19
Executive Directors	4	3
Non-executive Directors	3	2
Administration	25	27
Telesales	25	33
Commercial	5	8
Maintenance	7	7
	69	80
	12 months to December '20 £'000	12 months to December '19 £'000
Wages and salaries	2,500	2,960
Social Security costs	276	361
Pensions	67	75
	2,843	3,396

Details of Directors' emoluments, including details of share option schemes, are given in the remuneration report on pages 22 to 23. These disclosures form part of the audited financial statements of the Group.

8. Non-recurring charges

Following the annual impairment review of goodwill based on the discounted cash flow projections of the UK Retail division, the value of the goodwill in this CGU has been impaired by £1.10 million. Details of the impairment review are disclosed at note 12.

The Group also incurred redundancy and severance costs of £0.34 million during the year as it restructured staffing and management due to the Covid-19 pandemic.

Following a review of the carrying value of assets and liabilities in S&P India Pvt Limited during the year, debtors with a previous book value of £0.50 million were deemed to be impaired and were written down in full. As the investment in this business was disposed of following the year end, this charge is included within discontinued operations.

The Directors consider all of these costs to be non-recurring.

9. Finance income and costs

	12 months to December '20 £'000	12 months to December '19 £'000
Finance costs:		
Interest payable	(27)	(23)

10. Taxation

	12 months to December '20 £'000	12 months to December '19 £'000
Current tax expense:		
Current tax on (losses) / profits for the year	-	130
Adjustment for under/(over) provision in prior periods	(315)	(4)
Total current tax	(315)	126
Foreign tax:		
Current tax on foreign income for the period	-	46
Adjustment for under/(over) provision in prior periods	-	(47)
Total foreign tax	-	(1)
Deferred tax:		
Charge in respect of temporary timing differences	-	(19)
Adjustment for under/(over) provision in prior periods	(204)	(85)
Total deferred tax	(204)	(104)
Income tax (credit) / expense as reported in the income statement	(519)	21

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	12 months to December '20 £'000	12 months to December '19 £'000
(Loss) / profit on ordinary activities before tax	(3,874)	71
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2019: 19%)		
Jan – Dec 2019: 19%	-	13
Jan – Dec 2020: 19%	(736)	-
Tax effect of:		
- Adjustment for (over)/under provision in prior periods	(353)	(136)
- Effect of losses carried back	180	-
- Effect of foreign tax	112	-
- Disallowable items	278	5
- Tax losses	-	139
Income tax expense as reported in the Income Statement	(519)	21

11. Loss for the period

The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own Income Statement in these financial statements. The Group profit for the period includes a Company loss after tax of £1,397k after the incorporation of all UK head office costs (2019 restated profit: £143k) which is dealt with in the financial statements of the parent Company.

12. Discontinued operation

On 15 January 2021, the Group disposed of its entire holding in SpaceandPeople India (Pvt) Limited and is reported in the current period as a discontinued operation. Financial information relating to the discontinued operation is disclosed below.

The financial performance for the periods ended 31 December 2020 and 31 December 2019.

	12 months to December '20 £'000	12 months to December '19 £'000
Revenue	-	72
Administrative expenses ¹	(518)	(117)
Finance income	6	4
Loss from discontinued operation	(512)	(41)

¹ Includes £497k provision against recoverability of trade debtors in 2020.

13. Dividends

	12 months to December '20 £'000	12 months to December '19 £'000
Paid during the period	-	98
Recommended final dividend	-	-

Equity – The Directors do not recommend a final dividend for 2020 (2019: £nil).

14. Goodwill

Cost	£'000
At 31 December 2018	8,225
Additions	-
At 31 December 2019	8,225
Additions	-
At 31 December 2020	8,225
Accumulated impairment losses	
At 31 December 2018	244
Charge for the period	-
At 31 December 2019	244
Charge for the period	1,100
At 31 December 2020	1,344
Net book value	
At 31 December 2018	7,981
At 31 December 2019	7,981
At 31 December 2020	6,881

Goodwill acquired in a business combination is allocated at acquisition to the cash-generating units (CGUs) that are expected to benefit from that business combination. The Directors consider that the businesses of the UK Retail sub-group are an identifiable CGU and the carrying amount of Goodwill is allocated against this CGU.

The recoverable amount of the cash generating unit was determined based on value-in-use calculations, covering a detailed forecast, followed by an extrapolation of expected cash flows based on the targeted and expected growth rate over the next five years followed by a terminal factor determined by management.

The present value of the future cash flows is then calculated using a discount rate of 8.08%. This discount rates include appropriate adjustments to reflect, in the directors' judgement, the market risk and specific risk of the GGU.

The growth rate utilised in calculation of the terminal factor is based on expected inflationary growth in the UK beyond the period of forecasting. The growth rate used was 2.5%.

Cash flow projections during the budget period are based on an average growth in EBITDA which the Directors consider to be conservative given the plans for the businesses and the potential increased returns particularly in relation to the pipeline of new business opportunities, offset by the short and medium-term issues caused by Covid-19. The discount rates reflect appropriate adjustments relating to market risk and specific risk factors of each CGU.

Based on this cash flow projection, the Directors have concluded that the value of the goodwill in this CGU has been impaired by £1,100,000 and as a result, the value of the goodwill for the UK Retail sub-group is now £6,881,000.

The estimate of recoverable amount for the CGU is sensitive to the discount rate, the cash flow projections and the growth rate.

If the discount rate used is increased beyond 8.08%, for each further movement of 1% an impairment loss of £0.45 million would have to be recognised and written off against goodwill.

If the annual growth rate beyond 2021, used in the cash flow projection, is decreased below 2.5%, for each further movement of 1% an impairment loss of £0.86 million would have to be recognised and written off against goodwill.

15. Other intangible assets

Cost	Website development £'000	Product development £'000	Patents & trademarks £'000	Total £'000
At 31 December 2018	284	137	115	536
Additions	-	-	1	1
At 31 December 2019	284	137	116	537
Additions	-	-	-	-
At 31 December 2020	284	137	116	537

Amortisation	Website Development £'000	Product development £'000	Patents & Trademarks £'000	Total £'000
At 31 December 2018	284	137	111	532
Charge for the period	-	-	5	5
At 31 December 2019	284	137	116	537
Charge for the period	-	-	-	-
At 31 December 2020	284	137	116	537

Net book value	Website development £'000	Product Development £'000	Patents & Trademarks £'000	Total £'000
At 31 December 2018	-	-	4	4
At 31 December 2019	-	-	-	-
At 31 December 2020	-	-	-	-

16. Property, plant and equipment

The Group movement in property, plant & equipment assets was:

Cost	Plant & equipment	Fixture & fittings	Computer equipment	Right of use assets property	Right of use assets plant & equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 31 December 2018	3,054	286	766	-	-	4,106
Additions on application of IFRS 16	-	-	-	243	85	328
Additions	-	4	43	177	52	276
Forex	(8)	-	-	-	-	(8)
At 31 December 2019	3,046	290	809	420	137	4,702
Additions	15	3	14	568	39	639
Disposals	-	-	-	(166)	(15)	(181)
Forex	-	2	-	-	-	2
At 31 December 2020	3,061	295	823	822	161	5,162
Depreciation	Plant & equipment	Fixture & fittings	Computer equipment	Right of use assets property	Right of use assets plant & equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 31 December 2018	2,353	263	641	-	-	3,257
Charge for the period	243	12	95	156	45	551
At 31 December 2019	2,596	275	736	156	45	3,808
Charge for the period	171	5	58	209	54	497
Depreciation on disposals	-	-	-	(165)	(6)	(171)
At 31 December 2020	2,767	280	794	200	93	4,134
Net book value	Plant & equipment	Fixture & fittings	Computer equipment	Right of use assets property	Right of use assets plant & equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 31 December 2018	701	23	125	-	-	849
At 31 December 2019	450	15	73	264	92	894
At 31 December 2020	294	15	29	622	68	1,028

The right of use lease liabilities are secured against the right of use assets.

17. Trade and other receivables

	31 December '20 £'000	31 December '19 £'000
Trade debtors	1,545	2,840
Other debtors	110	339
Prepayments	335	249
Total	<u>1,990</u>	<u>3,428</u>
Amounts falling due after more than one year included above are:	92	417

The maximum exposure to credit risk at the balance sheet date is the carrying amount of receivables detailed above. The Group does not hold any collateral as security.

The Directors do not believe that there is a significant concentration of credit risk within the trade receivables balance. As of 31 December 2020, trade receivables of £1.1 million (2019: £1.2 million) were past due but not impaired.

The ageing of trade debtors:

	Current £'000	0 – 30 Days £'000	31 – 60 Days £'000	61 Days + £'000	Total £'000
31 December '20	445	313	292	495	1,545
31 December '19	1,640	487	227	486	2,840

18. Deferred tax

	31 December '20 £'000	31 December '19 £'000
Deferred tax liability:		
Deferred tax liability to be recognised after more than 12 months	-	(44)
Deferred tax assets:		
Deferred tax asset to be recognised after less than 12 months	47	47
Deferred tax asset to be recognised after more than 12 months	160	-
Deferred tax asset	<u>207</u>	<u>3</u>
At 1 January 2020	3	(101)
Adjustment in respect of losses	188	-
Adjustment in respect of previous year	-	85
Charge in respect of temporary timing differences on property, plant and equipment	16	19
At 31 December 2020	<u>207</u>	<u>3</u>

19. Cash and cash equivalents

	31 December '20 £'000	31 December '19 £'000
Cash at bank and on hand	<u>839</u>	<u>1,227</u>
	<u>839</u>	<u>1,227</u>

20. Trade and other payables

	31 December '20	31 December '19 as restated
	£'000	£'000
Trade creditors	672	419
Other creditors	1,244	1,391
Lease liabilities	286	206
Social Security and other taxes	185	301
Accrued expenses	1,108	657
Deferred income	727	1,257
Trade and other payables	4,222	4,231
Corporation tax	-	82
Total	4,222	4,313

All trade and other payables are short term. The carrying values of trade and other payables are considered to be a reasonable approximation of fair value.

21. Other borrowings

	31 December '20	31 December '19
	£'000	£'000
Bank loan:		
Less than one year	972	-
Greater than one year	778	750
	1,750	750

As at 31 December 2020, SpaceandPeople plc had drawn down £0.75 million (2019: £0.75 million) of its agreed bank revolving credit facility of £1.0 million which expires in October 2021. Additionally, a £1.0 million CBILS loan with a term of five years was drawn down as at 31 December 2020 (2019: £nil). SpaceandPeople plc also had a £0.25 million overdraft facility of which £nil was used as at 31 December 2020 (2019: £nil).

22. Leases

Amounts recognised in the balance sheet:

The balance sheet shows the following amounts relating to leases:

	31 December '20 £'000	31 December '19 £'000
Right of use assets		
Property	622	264
Plant and equipment	68	92
	<u>690</u>	<u>356</u>
Lease liabilities		
Current	286	206
Non-current	464	160
Total	<u>750</u>	<u>366</u>

Amounts recognised in the statement of profit or loss:

The statement of profit or loss shows the following amounts relating to leases:

	12 months to December '20 £'000	12 months to December '19 £'000
Depreciation charge of right of use assets		
Property	209	156
Plant and equipment	54	45
	<u>263</u>	<u>201</u>

Below is a reconciliation of changes in liabilities arising from financing activities:

	1 January 2020 £'000	Cash flows £'000	New Leases £'000	Other £'000	31 December 2020 £'000
Current lease liabilities	206	(267)	122	225	286
Non-current lease liabilities	160	-	477	(173)	464
Total liabilities from financing activities	<u>366</u>	<u>(267)</u>	<u>599</u>	<u>52</u>	<u>750</u>

The "Other" column includes the effect of reclassification of non-current leases to current due to the passage of time, the effect of the disposal of lease assets with their related creditors and the effect of the unwinding of the discounted ROU creditors over time.

23. Financial instruments and risk management

The Group has no material financial instruments other than cash, current receivables and liabilities, in both this and the prior period, all of which arise directly from its operations. The net fair value of its financial assets and liabilities is the same as their carrying value as detailed in the balance sheet and related notes.

Credit risk – The Group's credit risk relates to its receivables and is managed by undertaking regular credit evaluations of its customers. The Group is aware that customers' financial strength may have been adversely affected by the Covid-19 pandemic and endeavours to work with them and our venue partners to provide appropriate discounts and payment plans to enable them to continue to trade and repay any amounts owed in an agreed manner. The Group does not routinely offer credit terms to the majority of customers.

Liquidity risk – The Group usually operates a cash-generative business and has significant cash headroom. The Directors consider the funding structure to be adequate for the Group's current funding requirements and this is expected to strengthen during future years.

Borrowing facilities – As at the balance sheet date, the Group has agreed facilities of £2.25 million, of which £1.75 million was utilised at the year end. These facilities are secured by a floating charge.

Financial assets – These comprise cash at bank and in hand. All bank deposits are floating rate.

Financial liabilities – These include short-term creditors, a revolving credit facility of £1 million, of which £0.75 million was utilised at the year end and a CBILS five-year term loan of £1 million. All financial liabilities will be financed from existing cash reserves and operating cash flows.

Foreign currency risk – The Group is exposed to foreign exchange risk primarily from Euros due to its German operations and Euro denominated licensing income as detailed in note 4 – Segmental Reporting. The Group monitors its foreign currency exposure and manages the position where appropriate. In addition, the Group has investments in a subsidiary in India.

24. Called up share capital

Allotted, issued and fully paid Class	Nominal value		31 December '20	31 December '19
Ordinary	1p	£	195,196	195,196
		Number	19,519,563	19,519,563

25. Related party transactions

Compensation of key management personnel

Key management personnel of the Group are defined as those persons having authority and responsibility for the planning, directing and controlling the activities of the Group, directly or indirectly. Key management of the Group are therefore considered to be the directors of SpaceandPeople plc. There were no transactions with the key management, other than their emoluments, which are set out in the remuneration report on pages 22 to 23.

26. Earnings per share

	12 months to 31 December '20	12 months to 31 December '19 as restated
	Pence per share	Pence per share
Basic (loss) / earnings per share		
Before non-recurring charges and discontinued operation	(7.2)p	0.3p
After non-recurring charges and discontinued operation	(17.2)p	0.3p
Diluted (loss) / earnings per share		
Before non-recurring charges and discontinued operation	(7.2)p	0.3p
After non-recurring charges and discontinued operation	(17.2)p	0.3p

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	12 months to 31 December '20	12 months to 31 December '19 as restated
	£'000	£'000
(Loss) / profit after tax for the period attributable to owners of the Company	(3,355)	60
Non-recurring charges	1,442	-
Discontinued operation	512	-
(Loss) / profit after tax for the period before non-recurring charges attributable to owners of the company	(1,401)	60

	12 months to 31 December '20 '000	12 months to 31 December '19 '000
Weighted average number of ordinary shares for the purposes of basic earnings per share	19,520	19,520

Diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of diluted earnings per share are as follows:

	12 months to 31 December '20 £'000	12 months to 31 December '19 £'000
(Loss) / profit after tax for the period attributable to owners of the Company	(3,355)	60
Non-recurring charges	1,442	-
Discontinued operation	512	-
(Loss) / profit after tax for the period before non-recurring charges attributable to owners of the company	(1,401)	60

	12 months to 31 December '20 '000	12 months to 31 December '19 '000
Weighted average number of ordinary shares for the purposes of diluted earnings per share	19,520	20,991

The weighted average number of ordinary shares for the purposes of diluted earnings per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows.

	12 months to 31 December '20 '000	12 months to 31 December '19 '00
Weighted average number of shares in issue during the period	19,520	19,520
Weighted average number of ordinary shares used in the calculation of basic earnings per share deemed to be issued for no consideration in respect of employee options	-	1,471
Weighted average number of ordinary shares used in the calculation of diluted earnings per Share	19,520	20,991

As set out in notes 27, there are share options outstanding as at 31 December 2020 which, if exercised, would increase the number of shares in issue. However, the diluted loss per share is the same as the basic loss per share in the year to 31 December 2020, as the loss for the year has an anti-dilutive effect.

27. Share options

The Group has established a share option scheme that senior executives and certain eligible employees are entitled to participate in at the discretion of the Board which is advised on such matters by the Remuneration Committee.

In aggregate, share options have been granted under the share option scheme over 1,300,818 ordinary shares exercisable within the dates and at the exercise prices shown below, being the market value at the date of the grant.

Date of grant	Number	Option period	Price
12 January 2015	376,000	12 January 2018 – 12 January 2025	47.4p
1 July 2019	824,818	1 July 2022 – 1 July 2029	12.0p
1 October 2019	100,000	1 October 2022 – 1 October 2029	13.5p

The movement in the number of options outstanding under the scheme over the period is as follows:

	12 months to 31 December '20	12 months to 31 December '19
Number of options outstanding as at the beginning of the period	1,815,325	769,325
Granted	-	1,100,000
Lapsed	(300,000)	-
Forfeited	(214,507)	(54,000)
Number of options outstanding as at the end of the period	1,300,818	1,815,325

In total, 1,300,818 options were outstanding at 31 December 2020 (1,815,325 at 31 December 2019) with a weighted average exercise price of 22.3p (21.8p at 31 December 2019).

The total share-based payment charge for the year, calculated in accordance with IFRS2 on share-based payments, was £nil (2019: £nil).

28. Save As You Earn Scheme

The Group had a Save As You Earn ("SAYE") scheme that all UK based employees were entitled to participate in. The scheme ran for three years from 1 July 2017 with the opportunity to buy shares at a price of 19.5p, a 20% discount on the average closing share price on the three working days from 20 to 24 April 2017.

Share options had been granted under the SAYE scheme over 59,072 ordinary shares exercisable within the dates and at the exercise prices shown below, being the market value at the date of the grant.

Date of grant	Number	Option period	Price
18 May 2017	59,072	1 July 2020 – 31 December 2020	19.5p

The movement in the number of options outstanding under the scheme over the period is as follows:

	12 months to 31 December '20	12 months to 31 December '19
Number of options outstanding as at the beginning of the period	59,072	376,604
Granted	-	-
Lapsed	(59,072)	-
Forfeited	-	(317,532)
Number of options outstanding as at the end of the period	-	59,072

In total, no options were outstanding at 31 December 2020 (59,072 at 31 December 2019) with an average exercise price of £nil (19.5p at 31 December 2019).

The total share-based payment charge for the year, calculated in accordance with IFRS2 on share-based payments, was £nil (2019: £nil).

29. Post Balance Sheet Events

Following the end of the financial year, the Group disposed of its entire shareholding in SpaceandPeople India Pvt Limited for a nominal amount. The value of SpaceandPeople India Pvt Limited to the Group has been provided for during 2020 and as a result, there will be no material gain or loss on the disposal of this investment.

As mentioned elsewhere in this report, the Directors decided to refinance the Group's borrowing facilities with its principal banker ahead of their planned maturity in October 2021. The £1.0 million five-year term loan obtained during 2020 through the CBILS remains in place. The £1.0 million Revolving Credit Facility that was due to mature in October 2021 was cancelled in March 2021 and replaced by an additional £1.0 million six-year CBILS term loan, repayable between 2022 and 2027. The Group's £0.25 million annual overdraft facility that was due to mature in October 2021 has been replaced by a new £0.25 million facility and an additional £0.5 million overdraft facility. Both of these facilities were obtained under the CBILS, are repayable on demand and are available for three years. The increase in facilities along with the lengthened maturity periods gives the Group better financial security and certainty.

SpaceandPeople plc

Company Statement of Financial Position

At 31 December 2020

Company number SC212277

	Notes	31 December '20 £'000	31 December '19 as restated £'000
Assets			
Non-current assets:			
Investment in subsidiaries	4	4,818	5,108
Loan notes	4	1,728	1,728
Other intangible assets	5	-	-
Property, plant & equipment	6	785	518
Deferred tax asset		40	-
		7,371	7,354
Current assets:			
Trade & other receivables	8	2,509	3,276
Current tax receivable		159	-
Deferred tax asset	7	119	-
Cash & cash equivalents	9	295	519
		3,082	3,795
Total assets		10,453	11,149
Liabilities			
Current liabilities:			
Trade & other payables	10	5,387	5,445
Borrowings repayable within one year	12	972	-
Current tax payable		-	71
		6,359	5,516
Non-current liabilities:			
Long-term loan	12	778	750
Lease liabilities	11	426	19
Deferred tax	7	-	44
Total liabilities		7,563	6,329
Net assets		2,890	4,820
Equity			
Share capital	13	195	195
Share premium		4,868	4,868
Special reserve		233	233
Retained earnings		(2,406)	(476)
Shareholders' equity		2,890	4,820

The financial statements were approved by the Board of Directors and authorised for issue on 3 June 2021.

Signed on behalf of the Board of Directors by:



Nancy Cullen – Director

SpaceandPeople plc

Company Statement of Cash Flows

For the 12 months ended 31 December 2020

	Notes	12 months to 31 December '20 £'000	12 months to 31 December '19 as restated £'000
Cash flows from operating activities			
Cash generated from operations		(993)	(357)
Interest paid		(27)	(23)
Taxation		(4)	38
Net cash outflow from operating Activities		(1,024)	(342)
Cash flows from investing activities			
Purchase of intangible assets	5	-	(1)
Purchase of property, plant & equipment	6	(24)	(28)
Net cash outflow from investing Activities		(24)	(29)
Cash flows from financing activities			
Bank loan drawn down in year	12	1,000	750
Payment of lease finance obligations		(176)	(163)
Dividends paid		-	(98)
Net cash inflow/(outflow) from financing activities		824	489
Increase/(decrease) in cash and cash Equivalents		(224)	118
Cash and cash equivalents at beginning of Period		519	401
Cash and cash equivalents at end of Period	9	295	519
Reconciliation of operating profit to net cash flow from operating activities			
Operating (loss) / profit		(2,098)	207
Write down of investment		290	31
Amortisation of intangible assets	5	-	5
Depreciation of property, plant & equipment	6	150	342
Decrease / (increase) in receivables	8	767	(769)
Increase / (decrease) in payables	10	(102)	(173)
Cash flow from operating activities		(993)	(357)

SpaceandPeople plc

Company Statement of Changes in Equity

For the 12 months ended 31 December 2020

	Share Capital £'000	Share premium £'000	Special reserve £'000	Retained Earnings £'000	Total equity £'000
At 31 December 2018 as originally stated	195	4,868	233	434	5,730
Prior period adjustment due to change in revenue recognition policy *	-	-	-	(964)	(964)
At 31 December 2018 as restated	195	4,868	233	(530)	4,766
Profit for the period as restated *	-	-	-	152	152
Total comprehensive income	-	-	-	152	152
Transactions with owners:					
Dividends paid	-	-	-	(98)	(98)
Total transactions with Owners	-	-	-	(98)	(98)
At 31 December 2019 as originally stated	195	4,868	233	495	5,791
Prior period adjustment	-	-	-	(971)	(971)
At 31 December 2019 as restated	195	4,868	233	(476)	4,820
Comprehensive income:					
Loss for the period	-	-	-	(1,930)	(1,930)
Total comprehensive Income	-	-	-	(1,930)	(1,930)
Transactions with owners:					
Dividends paid	-	-	-	-	-
Total transactions with Owners	-	-	-	-	-
At 31 December 2020	195	4,868	233	(2,406)	2,890

* See note 2 for details regarding the restatement as the result of the change in revenue recognition policy.

I. General information and basis of preparation

SpaceandPeople plc is a company incorporated in the United Kingdom and is the parent company of the SpaceandPeople Group.

The Company's financial statements for the period ended 31 December 2020 and for the comparative period ended 31 December 2019 have been prepared on a going concern basis under the historical cost convention in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and International Financial Reporting Interpretations Committee (IFRIC) interpretations, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

Going Concern

The Directors are required to prepare the statutory financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. In satisfaction of this responsibility the Directors have considered the Company's ability to meet its liabilities as they fall due.

The Company meets its day-to-day cash requirements through working capital management and the use of existing bank overdraft and loan. Management information tools including budgets and cash flow forecasts are used to monitor and manage current and future liquidity.

The Company continues to pay special attention to the ongoing Covid-19 pandemic and the associated impact on the business, including:

- The availability of venues and space to sell on behalf of our customers;
- Interruption to operations due to an absence of staff for a period due to either contracting the virus or government measures implemented to control outbreaks; and
- A fall in revenue and decreased cash flow due to lockdowns.

The current and future financial position of the Company, its cash flows and liquidity position continue to be reviewed by the Directors. They take a prudent view on the likely recovery in the Company's business and have stress tested these assumptions to ensure that cash flows and liquidity are sufficiently robust to allow the Company to continue to trade during this period.

The Company continues to manage its cash flows prudently through a number of methods, including:

- The JRS in the UK and the German equivalent for staff based there;
- Availability of £2.0 million of term loans and £0.75 million of overdraft facilities through the CBIL scheme;
- Suspension of minimum income guarantees with landlords; and
- Pausing planned discretionary capital expenditure.

Since the end of 2020, the Company has refinanced its facilities with its principal banker. The Company now has term loans in place that mature in 2025 and 2027 along with three-year overdraft facilities that are repayable on demand. New covenants are in place that reflect the current trading position and a prudent view of recovery from the pandemic.

The Directors are confident that the additional funding facilities and support from our bankers will provide sufficient headroom to meet the forecast cash requirements. The Company's current and long-term forecast outlook has provided further assurance to the Directors regarding its financial position.

As such, the Directors consider that it is appropriate to prepare the financial statements on the going concern basis.

For details of accounting policies used, reference is made to note 2 in the Group Annual Report. Overall, the accounting principles in the Group accounts are the accounting principles used in the Company's annual accounts. Any variations in principles are described below.

2. Accounting policies

Investments in subsidiaries

The Company's investments in subsidiary undertakings are included in the statement of financial position at cost, less provision for any impairment in value.

Revenue

Revenue is measured at the fair value of consideration received or receivable. Revenue is shown net of value-added tax, rebates and discounts and after eliminating intergroup sales. Revenue is recognised when the amount of revenue can be measured reliably, it is probable that future economic benefits will flow to the Group and when the relevant performance obligation is satisfied. The performance obligation is considered to be when the promotional or retail booking occurs. This performance obligation is satisfied over time. Revenue does not contain a financing component nor any element of variable consideration.

Revenue is recognised at the point at which a booking takes place and is agreed by all parties. This policy is adopted as our contractual right to commission income is crystallised at this point. Payment of a deposit is typically due when the booking is made with the balance payable 30 days prior to the promotion taking place or in instalments if the booking is of a duration longer than 30 days.

Change in accounting policy relating to revenue recognition

Under the previous accounting policy, revenue was recognised at the point of booking, including future period bookings. The accounting policy has been changed to recognise revenue when the booking takes place, which more accurately reflects the performance obligations.

The following table summarises the impact of the change in policy on the financial statements of the Company.

	31 December 2020	31 December 2019
	£,000	as restated £'000
Statement of profit or loss		
Profit for the period	(2,497)	152
Increase/(decrease) in profit for the financial year	600	(8)
Consolidated statement of financial position		
Deferred revenue	372	(8)
Centre accruals	-	-
Increase/(decrease) in net assets	372	(8)

Retained earnings has increased/(decreased) by £(964k) relating to periods before those presented.

3. Profit for the period

The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own Income Statement in these financial statements. The Group profit for the period includes a Company loss after tax of £3,030k after the incorporation of all UK head office costs (2019: restated profit £133k) which is dealt with in the financial statements of the parent Company.

4. Investment in subsidiaries

The Company movement in investment in subsidiaries was:

Cost and net book value	£'000
As at 31 December 2018	6,867
Impairment	(31)
As at 31 December 2019	6,836
Impairment	(290)
As at 31 December 2020	6,546

Included in the cost of investments is £1.728m worth of loan notes taken on as part of the acquisition of Retail Profile Holdings Limited in 2010.

The impairment in investments relates to the write down of the value of the investment in Spaceandpeople India Pvt Limited

to nil.

In the opinion of the Directors, the aggregate value of the investment in subsidiary undertakings is not less than the amount at which it is stated in the Company statement of financial position.

Fixed asset investments of the Company (or subsidiary undertaking where indicated *) include the following:

<u>Name of subsidiary</u>	<u>Principal activity</u>	<u>Place of incorporation and Operation</u>	<u>Proportion of ownership interest and voting power held by the Company</u>	
			31 December '20	31 December '19
MacPherson & Valentine Limited	Licensing of intellectual property	United Kingdom	100%	100%
SpaceandPeople GmbH	Media	Germany	100%	100%
Retail Profile Holdings Limited	Holding Company	United Kingdom	100%	100%
* POP Retail Limited	Leasing of RMUs	United Kingdom	100%	100%
* Retail Products Limited	Dormant	United Kingdom	100%	100%
* Retail Profile GmbH	Leasing of RMUs	Germany	100%	100%
* Retail Profile Limited	Dormant	United Kingdom	100%	100%
S&P Consult Limited	Dormant	United Kingdom	100%	100%
SpaceandPeople India Pvt Ltd	Media	India	53.4%	53.4%

5. Other intangible assets

Cost	Website development £'000	Product development £'000	Patents & trademarks £'000	Total £'000
At 31 December 2018	284	137	119	540
Additions	-	-	1	1
At 31 December 2019	284	137	120	541
Additions	-	-	-	-
At 31 December 2020	284	137	120	541

Amortisation	Website development £'000	Product development £'000	Patents & Trademarks £'000	Total £'000
At 31 December 2018	284	137	115	536
Charge for the period	-	-	5	5
At 31 December 2019	284	137	120	541
Charge for the period	-	-	-	-
At 31 December 2020	284	137	120	541

Net book value	Website Development £'000	Product development £'000	Patents & Trademarks £'000	Total £'000
At 31 December 2018	-	-	4	4
At 31 December 2019	-	-	-	-
At 31 December 2020	-	-	-	-

6. Property, plant and equipment

The Company movement in property, plant & equipment assets was:

Cost	Fixture & fittings £'000	Computer equipment £'000	Right of use assets property £'000	Right of use assets plant & equipment £'000	Total £'000
At 31 December 2018	875	770	-	-	1,645
Additions on application of IFRS 16	-	-	243	44	287
Additions	1	27	-	16	44
At 31 December 2019	876	797	243	60	1,976
Additions	12	12	568	6	598
Disposals	-	-	(166)	(15)	(181)
At 31 December 2020	888	809	645	51	2,393

Depreciation	Fixture & fittings £'000	Computer equipment £'000	Right of use assets property £'000	Right of use assets plant & equipment £'000	Total £'000
At 31 December 2018	502	614	-	-	1,116
Charge for the period	92	83	147	20	342
At 31 December 2019	594	697	147	20	1,458
Charge for the period	90	48	166	17	321
Depreciation on disposals	-	-	(165)	(6)	(171)
At 31 December 2020	684	745	148	31	1,608

Net book value	Fixture & Fittings £'000	Computer equipment £'000	Right of use assets property £'000	Right of use assets plant & equipment £'000	Total £'000
At 31 December 2018	373	156	-	-	529
At 31 December 2019	282	100	96	40	518
At 31 December 2020	204	64	497	20	785

7. Deferred tax

	31 December '20 £'000	31 December '19 £'000
Deferred tax (asset) / liability:		
Deferred tax (asset)/liability to be recognised in less than 12 months	(40)	
Deferred tax (asset)/liability to be recognised after more than 12 months	(119)	44
Deferred tax (asset) / liability	(159)	44
At 1 January	44	59
Adjustment in respect of losses	(235)	-
Charge in respect of temporary timing differences on property, plant and equipment	32	(15)
At 31 December	(159)	44

8. Trade and other receivables

	31 December '20 £'000	31 December '19 £'000
Trade debtors	889	1,458
Other debtors	92	419
Prepayments	209	250
Amounts due from related parties	1,319	1,149
Total	<u>2,509</u>	<u>3,276</u>
Amounts falling due after more than one year included above are:	92	417

The ageing of trade debtors:

	Current £'000	0 – 30 Days £'000	31 – 60 Days £'000	61 Days + £'000	Total £'000
31 December '20	509	153	99	128	889
31 December '19	867	256	165	170	1,458

The Directors do not believe that there is a significant concentration of credit risk within the trade receivables balance. As of 31 December 2020, trade receivables of £0.4 million (2019: £0.6 million) were past due but not impaired.

9. Cash and cash equivalents

	31 December '20 £'000	31 December '19 £'000
Cash at bank and on hand	295	519
	<u>295</u>	<u>519</u>

10. Trade and other payables

	31 December '20 £'000	31 December '19 as restated £'000
Trade creditors	99	23
Other creditors	1,405	1,164
Lease liabilities	140	121
Social Security and other taxes	185	305
Accrued expenses	773	462
Amounts due to related parties	2,414	2,399
Deferred income	371	971
Trade and other payables	<u>5,387</u>	<u>5,445</u>
Corporation tax	-	71
Total	<u>5,387</u>	<u>5,516</u>

11. Leases

Amounts recognised in the balance sheet:

The balance sheet shows the following amounts relating to leases:

	31 December '20 £'000	31 December '19 £'000
Right of use assets		
Property	645	243
Plant and equipment	51	60
	<u>696</u>	<u>303</u>
Lease liabilities		
Current	140	121
Non-current	426	19
Total	<u>566</u>	<u>140</u>

Amounts recognised in the statement of profit or loss:

The statement of profit or loss shows the following amounts relating to leases:

	12 months to December '20 £'000	12 months to December '19 £'000
Depreciation charge of right of use assets		
Property	166	147
Plant and equipment	17	20
	<u>183</u>	<u>167</u>

Below is a reconciliation of changes in liabilities arising from financing activities:

	1 January 2020 £'000	Cash flows £'000	New Leases £'000	Other £'000	31 December 2020 £'000
Current lease liabilities	121	(176)	126	69	140
Non-current lease liabilities	19	-	440	(33)	426
Total liabilities from financing activities	<u>140</u>	<u>(176)</u>	<u>566</u>	<u>36</u>	<u>566</u>

The "Other" column includes the effect of reclassification of non-current leases to current due to the passage of time, the effect of the disposal of lease assets with their related creditors and the effect of the unwinding of the discounted ROU creditors over time.

12. Non-current liabilities

As at 31 December 2020, SpaceandPeople plc had drawn down £1.75 million (2019: £0.75 million) of its agreed bank facilities of £2.25 million (2019: £1.25 million), £1.00 million of which expires in April 2025 and is repayable in instalments between January 2021 and April 2025. The other £0.75 million was due to expire in October 2021, but has been refinanced post year end.

13. Called up share capital

Allotted, issued and fully paid			31 December '20	31 December '19
Class	Nominal value			
Ordinary	1p	£	195,196	195,196
		Number	19,519,563	19,519,563

14. Share options

Details of the Company's share options are as at notes 27 and 28 to the Group annual report.

15. Related party transactions

During the year, the Company charged its subsidiary companies the following amounts in respects of costs incurred on their behalf: POP Retail Limited £268,724 (2019: £593,646), SpaceandPeople GmbH £36,178 (2019: £44,966), Retail Profile Europe GmbH £nil (2019: £nil).

At 31 December 2020, the Company had the following balance with Group companies:

Amount due from SpaceandPeople GmbH	£698k
Amount due from Retail Profile GmbH	£519k
Amount due to POP Retail Limited	£(1,698k)
Amount due to Retail Profile Holdings Limited	£(614k)

SpaceandPeople plc

Company Information

For the 12 months ended 31 December 2020

Directors:	W G Watt – Non-Executive Chairman N J Cullen – Chief Executive Officer G R Dunlay – Chief Financial Officer A J Keiller – Chief Operating Officer S R Curtis – Non-Executive Director G J Bird – Non-Executive Director
Secretary:	G R Dunlay
Registered office:	3 rd Floor Delta House 50 West Nile Street Glasgow G1 2NP
Registered number:	SC212277
Nominated advisors and brokers:	Zeus Capital Ltd 10 Old Burlington Street London W1S 3AG
Registrars:	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen West Midlands B63 3DA
Auditors:	Azets Audit Services Chartered Accountants & Statutory Auditors Titanium 1 King's Inch Place Glasgow PA4 8WF
Bankers:	Santander UK plc 301 St Vincent Street Glasgow G2 5HN
Solicitors:	Burness Paull LLP 120 Bothwell Street Glasgow G2 7JL

SpaceandPeople plc
3rd Floor
Delta House
50 West Nile Street
Glasgow
G1 2NP
Telephone: 0845 2418215
Email: help@spaceandpeople.com

www.spaceandpeople.com