1Spatial plc

Annual Report for the year ended 31 January 2015

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1Spatial plc

Contents

Overview of 1Spatial plc

1Spatial plc

1Spatial plc ("1Spatial", the "Company" or the "Group") is listed on AIM, the London Stock Exchange's international market for smaller, growing companies 1Spatial plc is a group of innovative, market-leading software and solutions companies each trading under its individual brand 1Spatial Group, Avisen, Storage Fusion and Sitemap

The common link between the companies is Big Data, the term applied to data sets whose size is beyond the ability of commonly used software tools to capture, manage, and process The rise of big data has increased demand for information management specialists and software firms specialising only in data management and analytics According to analysts IDC, the global market for Big Data Technology and Services is currently worth $16 billion and forecast to grow at a compound annual growth rate of 26 4 per cent to $41 5 billion by 2018 1Spatial's businesses provide software solutions that ensure data quality, management, evaluation and efficiency in Big Data

1Spatial Group is the most significant trading segment of the business and has subsidiary undertakings in the UK, Ireland, France, Belgium and Australia Since the year-end, 1Spatial has also acquired a 47 per cent stake in Laser Scan Inc (LSI), its distributor for US and the Americas which is based in Washington DC This will secure 1Spatial's presence in the important US market and will open up opportunities for further business in the government and utilities sectors and beyond

During the year, 1Spatial also acquired a 49 per cent stake in Sitemap Ltd , an incubator-stage business with software that will add a new, but complementary, dimension to 1Spatial's offering Sitemap leverages 1Spatial's data management tools to provide users with the capability for decision-making grounded in accurate location, or geospatial, data

1Spatial Group

1Spatial Group provides geospatial software solutions and services that manage the world's largest spatial big data We work with users and creators of the largest geospatial databases on earth, helping them collect, plan, store, manage and interpret location-specific information

Our clients include national mapping and cadastral (land registration) agencies, utility and telecommunications companies, and government departments (including emergency services, defence departments and census bureaus)

A leader in our field, we have over 45 years' experience and a record of continual innovation and development Today, with an ever increasing reliance on spatial and location-critical data, demand for our expertise has never been greater

Avisen

Avisen continues to provide management consulting services major organisations such as Unilever and Tesco Direct to help them improve profitability and supply management on a global basis

Storage Fusion

Storage Fusion's software specialises in the delivery of automated storage reporting and analytics With the increasing demand on data storage environments, they work with organisations to help them evaluate and optimise their storage landscape

Sitemap

Sitemap is currently in the development stage and is set to launch in the financial year ended January 2016 It will provide organisations with a dynamic location-aware service Its decision-making capability has potential across many industry sectors including land and property and insurance

Highlights

Financial highlights

- Record revenues from operations with an increase of 13% to £19 6m (2014 £17 3m), reflecting the inclusion of twelve months' revenue from the Star-Apic acquisition (rebranded 1Spatial France and Belgium - 7 5 months in prior year)
- Improvement in gross profit margin from 48% to 55%
- Significant increase in Adjusted* EBITDA on prior year up 182% to £3 1m (2014 £1 1m)
- 35% reduction in Loss after Tax to £1 5m (2014 loss of £2 3m)
- £0 4m cash inflow from operations (2014 outflow of £2 3m)
- £7 8m net cash position and robust period-end balance sheet (2014 £10 8m net cash)
- Sustained strong secured order book of £7m (2014 £7m) which includes new wins as previous orders are delivered Order book of a greater number of customers than in the prior year also with a higher gross margin
- Healthy growing pipeline of opportunities at high gross margin levels enhanced by strategic Esri relationship
- Acquisition of 49% of Sitemap Ltd for £0 5m on 30 January 2015

**Adjusted for strategic, integration, other one-off items and share based payment charge*

Operational highlights

- Announcement of strategically important relationship with Esri, the Geographic Information Systems (GIS) market leader The Esri agreement enhances 1Spatial's addressable market and its global reach whilst quickening its route to market
- Key contract wins secured from new and existing customers in strategic growth sectors including the UK Ministry of Defence, Camwater (Cameroon), City of Caen Water Department (France), Intercommunale des Eaux du Centre du Brabant Walloon (Belgium) and United Utilities plc (UK)
- Consistently strong maintenance renewal levels (approximately 95% renewal rate)
- Improved performance in operating subsidiaries as a result of strict commercial discipline and performance improvement initiatives These included
    - Restructuring of Belgian operation, expected to yield annualised cost savings of approximately £0 7m
    - Relocation of offices in France and Belgium, with Belgium freehold property placed on the market with anticipated realisation of c £1m
    - Relocation of Ireland office from Cork to Dublin to be nearer to key customers and achieve cost savings of approximately £0 2m
- Further delivery on US Census contract providing core infrastructure spatial technology enabling the Census team to lay the foundations for the 2020 decennial census
- Development of the US business with increased investment in sales and marketing, building relationships with US Census Bureau and other key government organisations This has been further strengthened with the investment post year of 1Spatial's US Distributor LSI Inc
- Significant global hires to support and strengthen the Group
    - Regional manager appointed for 1Spatial France, Belgium and other French speaking markets
    - Additional sales people hired to service emerging markets
    - Regional manager appointed for Australia and Asia-Pacific
    - New industry-aligned sales structure at Cambridge HQ, convening sectors including utilities, national mapping and land registration, telecommunications, defence and smart cities
    - Business Development Manager appointed to focus on the Netherlands
- Star-Apic acquisition rebranded as 1Spatial France and Belgium and global, multi-language marketing assets all completed
- Awards received from strategic partners
    - Oracle Global Spatial and Graph Excellence 2014
    - SAFE Software Partner of Excellence

Post Period-End Highlights

- Acquisition of 47 per cent of US distributor Laser Scan Inc (LSI) in February for £1 5m This will allow 1Spatial to boost its presence in this important market by complementing LSI's existing capabilities There is an option agreement in place to acquire the remaining 53 per cent of this company in 2016 and 2017

- Addition of Azini Capital Partners to Company's shareholder register through acquisition of existing and issue of new ordinary shares, raising £1 92 million and further strengthening the balance sheet

Chairman's Statement

I am pleased to present the results for 1Spatial plc for the year ended 31 January 2015

The Group reports record revenue of £19 6m and an Adjusted* EBITDA of £3 1m These results represent a 13 per cent growth in revenues and a significant 182 per cent increase in Adjusted* EBITDA The Group enters the next financial year with an order backlog of £7m and a healthy pipeline of sales opportunities enhanced by the Esri relationship It also has a strong balance sheet and cash position 1Spatial plc is well placed to meet its primary objective of generating value for its shareholders

I write this report as interim Chairman, following the retirement of Steve Berry on 3 February 2015 The Board and I would like to thank Steve for his contribution as Chairman of 1Spatial over the last 10 years and we wish him well in his future endeavours I am delighted to have assumed this position whilst the Company takes its time to identify the right person to take over the role as Non-Executive Chairman

**Adjusted for strategic, integration, other one-off items and share based payment charge*

Corporate transactions

In 2013, the Company raised £17 1m to support its growth strategy At the same time, the business in France and Belgium was acquired and the Company invested in strengthening its coverage across other target geographies, industry sectors and product domains

Continuing this strategy, on 30 January 2015, 1Spatial acquired 49 per cent of Sitemap Ltd for £0 5m Sitemap is currently at incubator stage and is targeting a market launch in the coming financial year The acquisition is expected to bring additional strength to 1Spatial through its complementary intellectual property and will leverage 'Open Data' opportunities Sitemap uses 1Spatial tools to provide data and data-services to customers, which has potential across many sectors During the current incubation stage, we are carrying out further research and market-testing to identify the industry sector for launch that will yield maximum opportunity

Just after the year-end, on 3 February 2015, the company acquired 47 per cent of Laser Scan Inc (LSI) for a cash consideration of US$2 25m (£1 5m) LSI is the sole distributor for 1Spatial products and solutions across the Americas and the two companies have worked closely together on strategic accounts including the United States Census Bureau and the Brazilian Army LSI's personnel already have expert knowledge of 1Spatial's solutions and this transaction will secure 1Spatial's American base, bringing additional opportunities and enabling secure growth across this significant market

Under the terms of the sale and purchase agreement, 1Spatial has an option to acquire the remaining 53 per cent of LSI in two tranches (on 1 February 2016 and 1 February 2017) for the total sum of US$2 55m, payable in cash or by the issue of new ordinary shares in 1Spatial If this option is not exercised, the seller has the right to buy back the holding for US$1 125m, being 50 per cent of the original consideration

A number of other opportunities were identified during the year which would help 1Spatial satisfy its strategic ambition, a selection of which remains under review

Strategy and performance

During this year, we have continued to develop and build upon our corporate strategy, determined in 2013 We have established new structures to support future growth, seized opportunities where they aligned with our strategy and reviewed areas that were not performing as expected Where necessary, we have made changes to adapt to market or other external forces

Progress has been made in all four strategy areas product and service offerings, geographic coverage, organisational structure and brand

Product and service offerings

At the heart of 1Spatial's strategy is the opportunity to capitalise on the Company's intellectual property – built up over forty years' of expertise and innovation – through a platform and suite of off-the-shelf software products

1Spatial's Unique Selling Point (USP) is its approach to spatial big data, its quality, aggregation and enrichment Our scalable software enables these processes to be automated, providing customers with efficiency savings and consistently high quality spatial data that they can sell onto their clients or use in their own internal processes

1SMS (1Spatial Management Suite), our core product offering, gained significant traction through the year (having launched in the previous financial year) We intend to build on this success by developing additional, industry-specific applications for the suite

The products and service-offerings gained as part of the Star-Apic acquisition are being integrated into, or consolidated within, the Company's current range Many of these products are industry-specific and will form part of the development road-map leading to a suite of industry-aligned applications

The nature of 1Spatial's expertise means that our solutions are often found at the heart of complex installations, working alongside and inter-operating with the technology of other vendors The ability to work ever more seamlessly with other technologies is increasingly important and further developing this capability at a product level will be an important focus for us in the coming financial year It is our intention to provide software solutions that are 'open' and which will work well with key vendors in the field We see this as a critical area of development to enable further growth and the recent co-announcement with Esri is an important first step along this path

In line with the above, strategic partnerships remain an important part of 1Spatial's strategy and during the period, we received international recognition for our solutions from two key partners 1Spatial received awards for Oracle Global Spatial and Graph Excellence 2014, and SAFE Software Partner of Excellence

The excellence of 1Spatial's personnel is widely recognised across the industry As the market for geospatial solutions develops, we see two areas of opportunity develop At one end of the scale, the largest geospatial implementations are becoming more complex, requiring higher levels of professional services (consulting, training and support) to deliver an effective solution At the other end of the scale, new opportunities are emerging within organisations that have little or no in-house geospatial skills In both scenarios, projects require greater involvement from professional services to deliver a solution and we see increased demand placed on our professional services teams While success at scale will be delivered by the re-usable IP contained within 1Spatial's off-the-shelf software products, we believe that investing in our highly-regarded professional services organisation will deliver software scale more quickly 1Spatial already has expert teams helping to define and shape data strategy for customers in important sectors like defence and utilities In the coming year, we will increase investment in 1Spatial's professional services

Allied to this, the Company will continue to provide excellent support and customer care to our existing customers to nurture those important, and often long-standing, relationships and of course to protect ongoing support and maintenance revenue streams

Geographical coverage

The Group's headquarters are in Cambridge, UK, our offices in France and Belgium cover French-speaking markets, especially in Africa We also have an Asia-Pacific office in Sydney, Australia and an office in Ireland We are supported by a global network of partners including those in USA, Malaysia and Brazil

1Spatial's geographic reach continues to increase through acquisition, opening new offices and forging new partnerships Our investment in LSI, discussed above, will strengthen 1Spatial's presence in the Americas and enable us to drive more opportunities there Already, we have seen increased interest in our offering and have been approached by a number of technology vendors with regards to potential partnerships

The Company continues to see growth opportunities in the Middle-East and Africa and deals like the recently announced partnership with Dita Conseil in Cameroon will help us develop those opportunities We continue to work with potential partners across the region, however, the complexity of these markets and the political situation makes this a long-term project

Europe is where many of our key customers are based and, as such, it remains an important market for us We continue to develop the market, leveraging our operations in France and Belgium, where both regional offices were relocated during the year to be nearer current and potential customers We appointed a new country manager to be responsible for the two countries and hired additional sales people to cover Belgium and important North African markets (French-speaking and managed from our France office) During the year, we also appointed a business development manager to look after the Netherlands where, together with the UK, we have also seen significant interest in our services

Organisational structure

Our organisational structures continued to develop throughout the year and we have put in place a new sales structure aligned to specific industry sectors (which will support and be supported by the development of industry-specific applications) Key sectors for 1Spatial include utilities, national mapping and land registration agencies, telecommunications and defence

As discussed above, 1Spatial's professional services team is seen as a leader in spatial consultancy services and works with leading organisations and government bodies around the globe Demand for geospatial data has never been greater Data accuracy and the ability to manage multiple data-sets are essential to effective and informed decision-making As a result, we are seeing increased demand for our services and will expand this team in the coming year

Our development team is now centred in our Cambridge headquarters where our product development roadmap is determined and we continue to draw on regional development expertise in other territories As well as industry-specific solutions and greater openness in design, the team is working on innovation areas such as indoor location and making use of 'Open Data' for example with its development of Sitemap

Building the brand and creating demand

We continue to drive brand awareness within key industry sectors, countries and across initiatives such as the successful Smart Cities campaign (which continues into the coming year) Marketing will continue to be an important area of investment in the coming year, as we build the brand across target industries and geographies The US will be a particular focus in the coming year following our investment in LSI

Successful campaigns and participation in industry-focused global events has resulted in a pipeline of potential new customers and partners that the sales team will engage in the coming year These targeted activities, improving our brand reach and establishing local sales structures are laying a solid foundation for development in the years to come and a healthy pipeline for the coming financial year

During the period, we have seen a number of new contracts with new customers, as well as extensions from existing customers, such as one of our national mapping agency customers which awarded an extension worth £0 9m under its existing contract

Our existing customers clearly value 1Spatial's software, consultancy and technical expertise Many of them are moving towards new spatial big data solutions, driven by regulatory or other changes across their industries, and 1Spatial is seen as a trusted advisor For example in utilities, increased regulatory changes and governance is a key driver for the implementation of 1SMS products as it can potentially eradicate costly industry fines

In 2014, the Company was awarded a significant contract with the UK Ministry of Defence working with intelligence group No 1 AIDU, the aeronautical information and documentation unit) We also signed agreements with other government bodies including Land and Property Services Northern Ireland and the Rural Payments Agency

We also enjoyed a number of wins within the important growth sector of Utilities These include projects with Camwater (Cameroon), the city of Caen Water Department (France), Intercommunale des Eaux du Centre du Brabant Walloon (Belgium) and United Utilities plc (UK) These wins help to demonstrate our strength and industry knowledge in this sector, helping us to grow our business in the sector still further in the coming year

Storage Fusion and Avisen

Our Storage Fusion and Avisen divisions continue to focus on their core competencies in each relevant market Both companies enjoy long-term relationships with key customers such as Unisys and Unilever and continue to innovate with their product offerings Storage Fusion provides unique software that analyses data storage across multi-vendor resources Avisen provides management consulting and profitability improvement services

Board and people

In January 2015, I took on the role as interim non-executive Chairman following the retirement of Steve Berry The Board is still continuing its search for the right person as a replacement for Steve Berry but in the meantime, myself and Marcus Yeoman are still in a position to give 1Spatial the support it requires

During the year, we continued to evolve our organisational structure making new appointments including the appointment of a country manager responsible for France, Belgium and French-speaking Africa, and a business development manager responsible for the Netherlands

1Spatial's success – the business relationships it has built and the reputation it enjoys within the field of spatial big data – is entirely due to its management team and employees across the world 1Spatial people are approachable, smart, innovative and agile As we look forward to future growth, I would like to take this opportunity to thank them all for their continuing hard work and dedication

Conclusion

During the period, we have consolidated our brand, continued to develop and deliver our world class technology, increased our market and global reach and cemented strategic relationships with key partners We have also delivered Adjusted EBITDA profits which, at £3 1m, were ahead of expectations and show significant growth over the previous period We continue to have a strong balance sheet and a significant secured order book alongside a healthy pipeline of opportunities enhanced by our relationship with Esri

Subsequent to the year end, on 8 May 2015, the Company welcomed the addition of Azini Capital Partners to 1Spatial's shareholder register through acquisition of existing and issue of new ordinary shares, raising £1 92 million and further strengthening the Company's balance sheet

Post period end, we also carried out work on potential acquisitions which resulted in our investments in Sitemap Ltd and LSI, improving our market offering Innovation remains important to us, with internal development and new intellectual property, such as that owned by Sitemap, will continue to strengthen our business At the same time, we continue to evaluate potential strategic future acquisitions which would add value or new capabilities to the Group

We have solid foundations in place and clear objectives across the business Our product offering is more defined and our investment in LSI will help us develop the important US market Strategic partnerships, like the one with Esri, along with our move towards increased software interoperability and openness, will help us gain market share and growth in all markets

We were delighted to see 1Spatial plc recognised by the London Stock Exchange as one of the "1,000 Companies to Inspire Britain" for the second year running, a reflection of our continuing focus on delivering shareholder value through innovative and expert solutions

Outlook

The year ending 31 January 2016 will be one of consolidation and targeted investment We will continue to support our existing customers and develop the business along the lines discussed above, continuing to develop innovative, off-the-shelf software supported by our professional services, supporting strategically important industry sectors and exploiting opportunity across geographic markets

However, it is vital for growth and future shareholder value that we make further investment in our spatial software so that it can be seamlessly integrated with other vendor platforms Our work with the Esri platform is underway and we expect to have a commercial version available for sale at the Esri UK event on 19 May 2015 As a result of this investment, there will continue to be significant research and development costs during the coming financial year Some revenue generating resource will be used during this development phase which will have an impact on revenue growth in the short term, however it is the opinion of the Board that this is a necessary investment to secure future scalable growth and value for the group

The Group is looking forward to working with its new associate, LSI during the year and increasing its presence in the US market and developing a platform for growth

The Board is encouraged by the progress made during the start of the current financial year and looks forward to the future with confidence

David Richards
Interim Chairman

Strategic report

Objectives

Our prime objective is to generate value for our shareholders 1Spatial has a heritage through which it has evolved substantial capabilities that are unique in the marketplace The Board sees that the greatest opportunity to deliver value comes through leveraging the company's intellectual property, its expertise, reputation and experience in a market that demands increasingly sophisticated management of geospatial data

1Spatial provides the software solutions and services that manage the world's largest spatial Big Data We work with users and creators of the largest geospatial databases on earth, helping them collect, store, manage and interpret location-specific information

A leader in our field, we have over 40 years' experience and a record of continual innovation and development The company enjoys deep, long-standing relationships with major customers around the world and, as a consequence, we enjoy an unparalleled reputation in the field

Strategy and business model

Historically, the Company's expertise has been delivered for relatively few, very large, clients – the custodians of the largest and most critical geospatial databases on earth This was achieved through bespoke projects leveraging resource-constrained professional services built on a fragmented code-base of software

In the last couple of years, however, we have been following a new strategy and business model designed to better capitalise upon our IP assets We began this journey in the year ended January 2013 and, two years later, we can see that the decision was sound Effectively, we have inverted our historic business model from one grounded in ad hoc, bespoke and constrained consulting services drawing on a fragmented code-base to one where a robust and repeatable software model enables added-value professional services We continue to refine and evolve the strategy, but this basic approach remains at the core

We now have a business model that is repeatable and affordably scalable Core functionality and re-usable IP can be re-sold as packaged product and our valuable, highly-skilled people can be better deployed at the cutting edge, delivering innovation for our customers

Valuable, reusable IP developed on bespoke projects can be captured and fed into the development cycle for future iterations of our packaged software

Demand for, and the use of, geospatial data continues to grow across the globe The decreasing cost and increasing prevalence of sensor hardware (from the much-heralded "Internet of Things" to the global use of smartphones) produces a wealth of location-specific data that organisations need to handle 1Spatial has the tools and expertise to manage that data

Forecasts for the growth in demand for spatial big data solutions abound A recent report by Research and Markets estimated that the global market for GIS systems in the Utilities sector alone will grow by a CAGR of 9 27 per cent between 2013 and 2018 The market for Smart Cities technology (reliant on geospatial data and a focus area for 1Spatial) is forecast to grow by 22 5 per cent CAGR between 2014 and 2019, to a total value of $1 1 trillion Analysts IDC forecast that the total market for Big Data Technology and Services will grow by 26 4 per cent CAGR to be worth $41 5 billion in 2018

1Spatial's strategy is to help more clients do more with their geospatial big data, effectively helping them to make their world smarter

During the year, we identified two specific areas where we will refine our strategy to capitalise on opportunity and ensure continued growth

Professional services

As geospatial big data requirements become more complex, we see much increased demand for our professional services Sometimes existing customers are entering ever more complex areas and sometimes new customers are taking their first steps into working with geospatial data and have limited skills available in-house In either case, there is opportunity and demand for the industry-recognised expertise of professional services teams in consulting, training and support As we move into 2015, we will increase our investment in this area, hiring more customer-facing staff to meet the market demand

Openness

A second aspect of the evolution of geospatial big data is that our technology is increasingly deployed within multi-vendor systems and required to work with other platforms 1Spatial already enjoys strong partnerships with other leading players in the geospatial marketplace, as indicated by various partnership awards received during the year Moving forward, "openness" – the ability to work and interoperate seamlessly with partner and competitor systems – will be a key demand We have already announced an important partnership with Esri, one of the leading players in GIS systems, and our development team is working hard to release a new solution at the Esri UK event in May 2015 Further work will continue to ensure that 1Spatial software is recognised not only as leading in its own right, but easily integrated within other solutions, opening greater opportunities for growth in the future

1SMS (the 1Spatial Management Suite), is our core software solution and it continues to gain traction in the market The products gained as part of the Star-Apic acquisition have now been integrated into, or consolidated within, our product range and we continue to develop industry-specific applications that will work alongside 1SMS

We are confident that our strategy affords the best opportunity to realise the greatest value from 1Spatial's IP assets, and we were delighted to be recognised by the London Stock Exchange, for the second year running, as one of "1,000 Companies to Inspire Britain", research that seeks out the "UK's most exciting and dynamic small and medium-sized enterprises"

Markets

We see enormous opportunity to grow our core, geospatial business along three dimensions

- Geographic markets,
- Industry sectors,
- New scenarios

Geographic markets

United States

1Spatial already has several important customers in the US, including the US Census Bureau and US Army, and this will be an important target market for us in the coming year Our investment in LSI, as noted in the Chairman's Statement above, will secure our base in the Americas and provide a path to opportunities in important US sectors including Government (Homeland Security, Defence and others) and Utilities

Mary Brauer-Cox is the President of LSI She and her team are well-respected and well-connected in the US market and we look forward to working with them more closely to grow our business and levels of customer service to the highest levels We plan to focus initially on the current LSI customer-base, providing them with the combined knowledge and expertise of the two companies We will also invest in providing sales and marketing support for significant new customer acquisition and to grow our market share

France and Belgium

During the first half of 2014, the French and Belgium businesses (acquired as Star-Apic) were re-branded as 1Spatial

The businesses have been re-organised for greater efficiency and to be more aligned to their customers Central functions, such as development, finance and marketing, now report through the Cambridge headquarters and there have been a number of redundancies This incurred a significant, one-off cost of £1 1m, but should yield annual savings of £0 7m

The businesses have been relocated with the French office moving to a business district in Paris, and the Belgian office similarly moving to a more customer-centric location that will provide a better working environment for employees The freehold Belgian property has been placed on the market and the Board is hopeful that a sale will be completed during the year to January 2016 It is expected that the property will realise at least the current net book amount of £1m

We have appointed a country manager for France, Belgium and French-speaking Africa The individual has extensive industry and regional knowledge, and is responsible for sales growth and major projects in the region We have also hired additional sales people to cover Belgium and the key North African markets of Tunisia, Algeria and Morocco

Australia

Our new country manager has been in place in Australia since the start of this financial year and has made a positive contribution to the group We have plans in place to grow the business in the Australian market and across the Asia Pacific region

The Middle-East and Africa

Geographic data has always been an enabler of economic development with history's most famous explorers were creating maps of the world, opening trade routes and fuelling the great economies of their day The same is true today As economies develop, they require increasingly accurate geospatial data to locate natural resources, to record and enable the property rights for individuals and to plan new infrastructure Demand comes from government and from the private sector utilities, telecommunications and transport companies

Often, developing countries are starting with little more than a room full of outdated maps and dusty records 1Spatial's core constituency has been in National Mapping and Land Registry (cadastral) agencies We already have a number of important customers in emerging markets in Africa and see a tremendous growth in interest from other regions

The French-speaking markets of Africa are served by our office in France, where the staff have the local market knowledge (and language skills) to drive further demand in these markets We also have a major government customer in the Middle-East and are recruiting a partner with local market knowledge to service the Middle-East market

Some countries in sub-Saharan Africa show huge potential and during the year we announced a new partnership with Dita Conseil in Cameroon to help access those markets We also signed a deal with Camwater (Cameroon Water Utilities Corporation), the national water utility of Cameroon

Industry sectors

1Spatial's traditional core market has been with national mapping and cadastral (land registry) agencies 1Spatial's tools run the largest geospatial database in the world, that of Ordnance Survey GB Ordnance Survey Ireland is also a major customer We continue to innovate in this market and enjoy deep, long-standing relationships with many agencies around the world and see increasing demand from developing economies for our skills in this sector As well as developing this sector further, we will increasingly develop other industry markets, supported by a range of industry-specific applications that will be developed to work with 1SMS

Utilities

1Spatial already enjoys success in the utilities sector with major customers such as United Utilities plc, Lyonnaise des Eaux and Sonede (the national water utility of Tunisia) During the year, we extended this through deals with water companies in France, Belgium and Cameroon The utilities sector around the world is facing major change as it deals with innovations such as smart grids, smart meters and distributed generation Regulators are also increasing the reporting requirements on utility companies All of these issues have geospatial data at their heart and we see enormous potential in the sector as companies get to grips with managing a more complex network, at a greater degree of granularity

Defence departments and emergency services

These sectors make critical, life-and-death decisions based on the accuracy of the topological data at their fingertips The sector's needs range in scale from accurately assessing territorial waters and national airspace down to the ability to direct police and ambulance services along the correct country track towards an incident 1Spatial has important international customers including police forces in the UK and the armies of US, Brazil and Saudi Arabia

Transport and telecommunications

The accurate location of both linear assets (roads, railways, telephone lines etc) and small "point" assets (such as mobile phone masts, drainage outlets and signals) is critical to many industries The same experience, skills and IP that 1Spatial has used for mapping agencies and utility companies can be redeployed to transport and telecommunications companies The decreasing cost of hardware also means that it becomes cost-effective for such companies to track moving assets such as railway engines and delivery trucks These have become important target markets for 1Spatial, sectors where we can deploy our IP with limited incremental cost to realise enormous value for customers

New scenarios

The third dimension along which we can develop the 1Spatial business is in applying our existing technology to new use-case scenarios Just as the lower cost of hardware enables the tracking of moving assets, so the emergence of the "Internet of Things" (connecting hitherto non-digital objects such as refrigerators or valves on a pipeline to the internet using Wi-Fi or cloud technology) will create new demand and opportunities for 1Spatial's protected IP

Indoor location management

This is one scenario in which 1Spatial is currently investing research funds Traditionally, the use of geospatial data has been conceived as an outdoor activity However, the same concepts and skills can be taken indoors and applied to the tracking of assets within a building Beyond simply recording the precise location of assets, this technology can be used in scenarios such as manufacturing or hospital work-flows to improve process management and resource allocation

Smart Cities

The Smart Cities concept has geospatial data at its core Smart Cities use data and technology to create urban environments that are more efficient and which better serve their residents Such initiatives overlap several sectors, bringing together public transport and journey planning, smart utilities, buildings and property management etc Location data is vital to these projects and we are working closely with city administrations in several countries

Sitemap Ltd.

Our investment in Sitemap will bring 1Spatial the opportunity to generate revenue from data services, as well as from helping others to manage their data This is an exciting complement to 1Spatial's existing capabilities and we look forward to commercialising this as soon as possible

Storage Fusion

Our investment in Storage Fusion's SRA software continues and it is currently undergoing a full 'refresh' The business continues to focus on its speciality of helping organisations manage complex, multi-vendor data storage environments

Avisen

Avisen continues to work on a long-term project with Unilever and to serve a number of other key clients such as Tesco Direct We are looking at working with partners to increase exposure to new customers and projects

Operational and financial review

Overall financial highlights

The financial highlights are set out below

Performance	31 January 2015	31 January 2014	Inc/(Dec)	Inc/(Dec)
	£m	£m	£m	%
Revenues	19 6	17 3	2 3	13%
Adjusted* EBITDA	3 1	1 1	2 0	182%
Loss after tax	(1 5)	(2 3)	0 8	(35)%
Cash inflow/(outflow) from operations	0 4	(2 3)	2 7	117%

Year end position	31 January 2015	31 January 2014
	£m	£m
Net asset balance	21 0	22 1
Net cash balance	7 8	10 7

* Adjusted EBITDA is stated net of certain strategic, integration, other one-off costs and share option charge See Note 7 to the Accounts for further information

The Group has delivered a solid set of results with a 13 per cent increase in revenues and a significant, 182 per cent increase in Adjusted* EBITDA The main reason for the increase is the inclusion of a full year of results from 1Spatial France and Belgium (previously Star-Apic) compared to 7 5 months in the prior year There has also been improvement in organic revenue growth and gross margin

The overall loss after tax for the year (and the prior year) is mainly the result of exceptional costs, amortisation charges and share based payment charges

The business generated a small operating cash inflow, mainly as a result of the increased EBITDA However, certain exceptional costs, such as redundancy costs in France and Belgium which were accrued at 31 January 2015, will be paid out during the first half of 2016

The net asset and net cash positions of the group remain strong The most significant cash-flows in the period not attributable to operating cash flows were the investment in product development of £2 4m and the investment in Sitemap of £0 5m

Performance by business type

An overview of each of the business types is set out below

	Revenue 2015	Revenue 2014	Adjusted* EBITDA 2015	Adjusted* EBITDA 2014
	£m	£m	£m	£m
Geospatial	17 9	15 4	5 1	3 0
Other businesses	1 7	1 9	0 5	0 3
Central costs	-	-	(2 5)	(2 2)
	19 6	17.3	3 1	1 1

* Adjusted EBITDA is stated net of certain strategic, integration, other one-off costs and share option charge See Note 7 to the Accounts for further information

Geospatial businesses 1Spatial and Star-Apic (rebranded as 1Spatial France and Belgium from 1 February 2014)

The main focus of management during the year has been on the geospatial businesses, 1Spatial UK, Ireland, Australia, France and Belgium A summary of their results is set out below

	2015	2014	Variance	Variance
	£m	£m	£m	%
Revenue	17 9	15.4	2 5	16%
Gross margin	9 9	7.4	2 5	34%
Gross margin %	55%	48%		
Overheads	(4 8)	(4.5)	(0.3)	7%
Adjusted* EBITDA	5 1	3.0	2 1	70%

* Adjusted EBITDA is stated net of certain strategic, integration, other one-off costs and share option charge

Total revenue has increased by 16 per cent This is mainly due to the inclusion of a full year's results from France and Belgium, compared to 7 5 months in the previous year

Management is still confident in the growth prospects of the Group but was disappointed that the growth in this financial year was not as high as previously expected Management anticipates that this growth will still be realised, albeit in a later financial period Some of the key reasons for the growth in this financial year not being as high as anticipated are as follows

- Foreign Exchange – Revenues from France, Belgium, Australia and Ireland have been adversely affected by the strong GBP foreign exchange rate relative to the Euro and Australian Dollar
- Resource to work through the backlog of work and recognise revenue, which has been slower than expected During the last few months of the year we were particularly resource constrained in the UK, where we not only had a heavy workload but also needed to execute on development work on the multi-vendor systems and platforms It was a difficult balancing act that needed to be managed carefully to also sustain customer satisfaction During the last part of 2015 and during Q1 of the 2016 financial year, we have been actively recruiting and believe we are now in a better position to execute on both the backlog of revenues and the development work that needs to be carried out
- Significantly less 'throughput' revenues – in the prior years, there have been revenues which have not contributed significant margin to the group e g certain digitisation revenues and certain third party revenues These revenues are ancillary to the group and there has been a drop in these in during 2015 and has been a focus of the commercial team to review these revenue streams and exit where appropriate

Comparing the two periods on a constant currency basis and adjusting prior year results to include a twelve month contribution from France and Belgium (on a pro-rata basis), there is revenue growth of approximately five per cent

Whilst revenue growth has been lower than expected, gross margin and Adjusted EBITDA have exceeded expectations This is the result of strong commercial discipline within the business and managing the cost-base

Key objectives for the management and commercial teams during the year have been to

- Maintain 1Spatial's strong recurring support and maintenance revenues
- Review revenue streams that have low gross margins and exit contracts where appropriate
- Improve project management on existing long-term contracts
- Implement strict processes and procedures on Bid / No Bid decisions for new contracts and on the pricing of new contracts to ensure good gross margins are achieved
- Drive revenue mix towards more profitable licence sales

Particular improvement has been seen in the UK business and we aim to replicate this success in France and Belgium during 2015/16 As noted in the Strategic Report, the French and Belgian businesses were reorganised during the year to January 2015 and several roles within the Belgian business were made redundant The redundancies, announced in January 2015, incurred a significant one-off cost of c £1 1m which has been included in exceptional items There should be an annual cost reduction of approximately £0 7m going forwards without a direct impact on the France and Belgian revenues

Following significant investment in R&D (see below) and the finalisation of commercial agreements, we anticipate revenue growth in 2015/16 from a new revenue stream generated through partnerships with third parties such as Esri Developing this stream will be an important focus for the next financial year

Our current revenue streams are generated from Licence Fees, Services, and Support and Maintenance in the following proportions

	2015	2014
	%	%
Licences	20%	19%
Services	40%	46%
Support and maintenance	40%	34%

Recurring Support and Maintenance revenue has increased as a proportion because of the inclusion of a full year of results for France and Belgium

We continue to enjoy a significant secured order book, currently at c £7m This has been sustained through the year as projects delivered have been replaced in the order book by new contracts wins and we start the new financial year with a healthy pipeline of sales opportunities

During the year, we won a number of significant contracts each worth in excess of £0 5m These included a contract with the UK Ministry of Defence (working with intelligence group No 1 AIDU, the Aeronautical Information and Documentation Unit), a project with one of our existing National Mapping Agency customers worth £0 9m, and a contract with a major UK utility company worth £0 6m There have also been a large number of smaller contract wins, each worth less than £0 1m These contract wins exclude our support and maintenance renewals, which are currently running at a 95 per cent renewal rate

Other businesses

The Company's other business avenues comprise Avisen and Storage Fusion Both businesses contributed positive Adjusted EBITDA in the year

Avisen's main focus during the period was the continuing roll out of Unilever's 'Cost to Serve' project, which has been progressing well We have an order backlog in respect of this project until December 2015 Support and maintenance revenues are building as each country goes live, thus providing future annuity revenues

Storage Fusion continues to offer its SRA software and has a number of important contracts that renew on an annual basis We continue to invest in the SRA software and it is currently undergoing a complete 'refresh'

Central costs

Excluding share option charge, strategic, integration and other one-off items, head office costs were £2 5m in the year, an increase of £0 3m This is due to continued investment in central marketing, HR and IT costs With the central infrastructure now in place, we do not expect head office costs to increase significantly as the group gets larger We have a head office structure and management team in place to execute on the Group's strategy

Overall result for the year

	2015	2014
	£m	£m
Adjusted* EBITDA	**3 1**	**1.1**
Depreciation	(0 3)	(0 3)
Amortisation and impairment of intangible assets	(1 2)	(0 6)
Share based payment charge	(0 7)	(0 6)
Strategic, integration and other one off items	(2 3)	(1 8)
Operating loss	**(1.4)**	**(2.2)**
Net finance income/(cost)	(0 1)	(0 1)
Loss before tax	**(1.5)**	**(2 3)**
Tax	-	-
Loss for the year	**(1 5)**	**(2 3)**

* Adjusted EBITDA is stated net of certain strategic, integration, other one-off costs and share option charge See Note 7 to the Accounts for further information

The loss in the year of £1 5m is an improvement (reduced loss) of £0 8m (35%) from the prior year This is largely the result of the improved Adjusted EBITDA

Amortisation and impairment of intangibles

Overall amortisation of intangible assets has increased on the prior year by £0 6m This is mainly the result of a full year of Star-Apic amortisation of £0 3m and increased amortisation of development costs of £0 3m The increase in relation to development costs is as a result of a number of products being launched into the market place and being sold (primarily the 1SMS Management Suite)

Share based payment charge

The share option charge represents the 'non-cash' charge under IFRS 2 attributable to issuing share options this financial year This is part of the company's strategy to attract, motivate and retain talent within the business

Strategic, integration and other one off items

These costs reflect the Group's acquisition-related activities

	2015 £m	2014 £m
Costs associated with Corporate Transactions and other Strategic costs	0 5	0 8
Integration costs associated with France and Belgium business	0 4	0 5
Training and other costs associated with the implementation of the new ERP system	0 1	0 3
Restructuring and redundancy costs of non-Star-Apic business	0 1	0 1
Restructuring and redundancy costs of Belgium business	1 1	-
Other	0 1	0 1
Total	2 3	1 8

The most significant difference between this year and the previous year is the cost of restructuring and redundancies in Belgium, amounting to £1 1m Further analysis of the costs is set out in Note 7

The majority of the restructuring work with France and Belgium has now been finalised and therefore management believe that the level of exceptional items should be significantly less during the next financial year unless the group enters into another transaction The US transaction may lead to some exceptional costs but this is a less complex business to integrate compared to the French and Belgium business so the costs are unlikely to be significant

Tax

The tax credit for the group is £5k (2014 credit of £10k) Refer to note 9 for further analysis

Statement of Financial Position

The Group has a strong balance sheet at 31 January 2015 with net assets of £21 0m (2014 £22 1m)

Non-current assets

Intangible assets and goodwill

Intangible assets and goodwill increased by £0 7m as a result of additions of £2 4m (mainly development costs) offset by amortisation of £1 2m and foreign exchange adjustments of £0 5m

Property plant and equipment

This decreased by £1 1m mainly as a result of the Freehold property in Belgium being classified as Held for Sale and consequently as a current asset (£1 0m)

Interests in associate

This increased by £0 5m as a result of the Sitemap acquisition

Current assets

Trade and other receivables were £7 5m, an increase of £0 6m on the prior year The main reason for this increase is due to debtors in France and Belgium, in particular, accrued income in Belgium from large contracts where invoicing and payment milestones are scheduled after work has been performed Management is constantly reviewing this accrued income balance to ensure recoverability and has no concerns over this balance at present The contracts are with Quasi government entities and this gives additional comfort to management over recoverability

Current liabilities

Trade and other payables has decreased by £0 6m, which is a combination of an increase of Trade and other payables and accruals, of £0 2m, and a decrease in deferred income, of £0 8m The decrease in deferred income is mainly as a result of timing of billing on support and maintenance contracts and other large contracts where more customers are requesting monthly/quarterly invoicing rather than annual invoicing

Cash flow

The year-end cash and cash equivalents position of was £8 2m (2014 £11 2m) Subsequent to the year end a placing of £1 9m (gross proceeds) enhanced the Group's cash position and supports its growth strategy

Cash generated from operations in the year was £0 4m, driven by an improved Adjusted EBITDA on the prior year Certain cash outflows took place in the year which were not anticipated These were the £0 5m cash outflow to acquire Sitemap and additional working capital outflows of approximately £1m The Company also invested in £2 4m in product development during the year The investment in accrued income should start to reverse towards the end of the 2016 financial year as the billing milestones are met and we can invoice for large proportions of the contracts

The overall net decrease in cash in the year was £2 8m (2014 £8m increase due to placing) At the end of the year there was a net cash position of £7 8m as a result of netting off the small French/Belgium loans (2014 £10 7m)

Key Performance Indicators (KPIs)

The table below shows the main KPI's used to manage the group's performance during the year These are Growth in Revenue, Growth in Total Gross Profit and Growth in Total Adjusted EBITDA

Taking the business overall, we met our KPIs However, as Star-Apic is included for the full year ended 31 January 2015, we have broken out the KPI's on a segment basis below

Overall	**KPI Met**	**Total 2015 £m**	**Total 2014 £m**	**Variance £m**	**%**
Revenue	Yes	19 6	17 3	2 3	13%
Gross profit	Yes	10 8	8 2	2 6	32%
Adjusted EBITDA	Yes	3 1	1 1	2 0	182%

1Spatial (including Star-Apic) - Adjusted for 12 months of Star-Apic and Constant currency

	KPI Met	**1Spatial 2015 £m**	**1Spatial 2014 £m**	**Variance £m**	**%**
Revenue	Yes	17 9	17 4	0 5	3%
Gross profit	Yes	9 9	8 3	1 6	19%
Adjusted EBITDA	Yes	5 1	3 2	1 9	59%

Avisen	**KPI Met**	**Avisen 2015 £m**	**Avisen 2014 £m**	**Variance £m**	**%**
Revenue	No	1 2	1 5	(0 3)	(20)%
Gross profit	Yes	0 4	0 4	-	0%
Adjusted EBITDA	No	0 2	0 2	-	0%

Storage Fusion	**KPI Met**	**Storage Fusion 2015 £m**	**Storage Fusion 2014 £m**	**Variance £m**	**%**
Revenue	Yes	0 5	0 4	0 1	25%
Gross profit	Yes	0 5	0 4	0 1	25%
Adjusted EBITDA	Yes	0 3	0 1	0 2	200%

Head Office	**KPI Met**	**Head Office 2015 £m**	**Head Office 2014 £m**	**Variance £m**	**%**
Total revenue	N/A	N/A	N/A	N/A	N/A
Gross profit	N/A	N/A	N/A	N/A	N/A
Adjusted EBITDA*	No	(2 5)	(2 2)	(0 3)	14%

* Head office costs increased to provide additional infrastructure to support growth strategies

Principal Risks and Uncertainties

The management of the business and the execution of the Group's strategies are subject to a number of risks In the opinion of the Board, the key business risks affecting the Group are as follow

Customer budget cut backs/economic conditions

Risk Due to the recent recession and the continuing slow growth cycle in Western economies, companies and, in particular, government agencies are under more pressure to cut costs They may require a robust business case before investing in IT products and services which can have the effect of lengthening deal sales cycles and reducing deal size

Mitigation Whilst this is a risk, it is also an opportunity for 1Spatial Our automated technology enables customers to achieve greater internal efficiencies and therefore should reduce customers' costs in the long run The group is also mitigating this risk by diversifying the industry sectors in which it works

Identification and integration of synergistic acquisitions

Risk There is a risk that the company may not identify suitable acquisitions for merging with the existing business There is also a risk that acquisitions identified may not be successful, either because the acquisition itself was not as expected or because of poor integration

Mitigation The Board believes that this risk is medium The Group has a pipeline of opportunities compiled through constantly researching the market and through networking by the Board with its advisors and other industry contacts In respect of the acquisition itself, the Board undertakes appropriate due diligence in advance With respect to the successful integration and operation of the acquired businesses, this risk is mitigated by a very structured approach to the integration process, dedicated teams and careful monitoring of performance post acquisition

Key management and employees may leave the business

Risk There is a risk that key management and employees leave the business, having a detrimental effect on the operations of the business

Mitigation In order to mitigate this risk, the Group aims to create a rewarding working environment that will attract staff by offering competitive salaries and benefits, structured career paths, tailored training and by encouraging a culture of free thinking and innovation During the year, share options were issued to executive directors and key members of the management team The decision to issue share options has been taken as part of the company's strategy to attract, motivate and retain talent within the business and further mitigate this risk

Reliance on key customers

Risk The Group has some reliance on certain key customers however this risk is decreasing as more acquisitions and partnerships are entered into

Mitigation The management team maintains good relationships with its customers through continued communication throughout the year The Company's strategy of acquisition and diversifying into different industry and geographic markets will reduce the Company's over-reliance on a small set of customers

A major technology failure may adversely disrupt operations

Risk There could be a major technology failure which adversely affects operations

Mitigation 1Spatial plc prepares recovery plans for all foreseeable situations so that business operations can continue should a major failure occur In terms of IT, all files are backed up off site and all staff have access to laptops to continue working should such an incident occur The Group is close to completing the move of most IT infrastructure to third party providers This will reduce the risk and cost of managing the infrastructure and of reliance on key individuals in the team In addition, the Group has insurance to cover periods adversely affected by such failures

Future developments

Future developments have been described throughout this report We are on a journey to realise significant shareholder value by more effectively leveraging the skills, expertise, intellectual capital and reputation of our business Future developments will follow this path

In particular, the company will continue to seek suitable, complementary acquisition targets to accelerate our business growth We will continue to expand our core business – through acquisition, direct entry and through partnerships

Signed by order of the Board

Claire Milverton
15 May 2015

Directors' report

The Directors present their annual report on the affairs of the Company and the Group, together with the audited consolidated financial statements and the independent auditors' report for the year ended 31 January 2015 in accordance with International Financial Reporting Standards (IFRS's) as adopted by the EU

Principal activities
The principal activity of the Group is the development and sale of IT software along with related consultancy and support The principal activity of the Company is that of a parent holding company which manages the Group's strategic direction and underlying subsidiaries

1Spatial plc is a company incorporated in England and Wales The registered office of the Company is Pannell House, Park Street, Guildford, Surrey, GU1 4HN

Details of the business activities during the year can be found in the strategic report on pages 9 to 20

Results and dividends
The results for the Group for the year and the Group and company's financial position at the end of the year are shown in the attached financial statements

The Directors do not recommend the payment of a dividend (2014 £Nil)

Business review and future developments
The requirements of the business review have been considered within the Chairman's statement on pages 5 to 8 and the strategic report on pages 9 to 20

Research and development
The group performs research and development activities The Group expenses research activities to the statement of comprehensive income and capitalises development activities should the cost meet the relevant criteria During the year, £2 4m was capitalised (2014 £1 7m) and £1 4m (2014 £0 1m) was expensed

Changes in share capital
Details of movement in share capital are set out in note 20 to the financial statements

Post balance sheet events
On 3 February 2015 the Group entered into a share purchase agreement to acquire 47 per cent of US distributor Laser Scan Inc (LSI), the USA-based provider of spatial data solutions for cash consideration of US$2 25m There is an option agreement in place to acquire the remaining 53% of this company in 2016 and 2017
Further information on this is contained in note 29 to the financial statements

On 7 May 2015 1Spatial plc placed 42,400,000 existing ordinary shares with, and issued 32,000,000 new ordinary shares ("Subscription Shares") in the capital of the Company to Azini Capital Partners LLP ("Azini") The Subscription Shares were subscribed for by Azini at a price of 6p per share, raising total gross proceeds of £1 92m for the Company

Going concern
The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on pages 9 to 20 along with the Company's financial position and its cash flows In addition, note 3 to the financial statements include the Company's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments, and its exposures to credit risk and liquidity risk

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

Directors' indemnities
As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party provision as defined by Section 234 of the Companies Act 2006 The indemnity was in force throughout the last financial year and is currently in force The Company also purchased and maintained throughout the financial year Directors' and officers' liability insurance in respect of itself and its Directors

Employees
The Group places considerable value on the involvement of its employees and has continued its practice of keeping them informed of matters affecting them as employees and the various factors affecting the performance of the Group

The Directors recognise that continued and sustained improvement in the performance of the Group depends on its ability to attract, motivate and retain employees of the highest calibre Furthermore, the Directors believe that the Group's ability to sustain a competitive advantage over the long term depends in a large part on ensuring that all employees contribute to the maximum of their potential The Group is committed to improving the performance of all employees through development and training

The Group is an equal opportunity employer The Group's policies seek to promote an environment free from discrimination, harassment and victimisation and to ensure that no employee or applicant is treated less favourably on the grounds of gender, marital status, age, race, colour, nationality or national origin, disability or sexual orientation or is disadvantaged by conditions or requirements, which cannot objectively be justified Entry into, and progression within the Group, is solely determined on the basis of work criteria and individual merit

The Group continues to give full and fair consideration to applications for employment made by disabled persons, having regard to their respective aptitudes and abilities The policy includes, where practicable, the continued employment of those who may become disabled during their employment and the provision of training and career development and promotion, where appropriate

Directors
The Directors who served the Company during the year or have been appointed thereafter, are shown below

M Hanke
C Milverton
M Sanderson
S Berry (Non-Executive Chairman) – resigned 3 February 2015
D Richards (Non-Executive Deputy Chairman)
M Yeoman (Non-Executive)

At the forthcoming Annual General Meeting in accordance with the Company's Articles of Association Marcus Hanke and Michael Sanderson will be will be retiring as directors and, being eligible, offering themselves for re-election as a director of the Company

Substantial interests
The Directors have been notified of the following substantial shareholdings in excess of 3% of the ordinary share capital of the Company as at 10 April 2015

Name	Number of Shares	Percentage of Issues Shared Capital
Hargreave Hale Ltd	119,925,423	18 44%
J O Hambro Capital Management	71,900,000	11 05%
Legal & General Investment Management	51,572,397	7 93%
Liontrust Asset Management	40,918,344	6 29%
Mike Sanderson	30,000,000	4 60%
Marcus Hanke	29,124,641	4 48%
M&G Investments	26,250,000	4 04%
Hargreaves Lansdown Asset Management	26,152,714	4 02%
SFM UK Management LLP	20,000,000	3 08%
Pictet Asset Management, Geneva	19,754,167	3 04%

Except as referred to above, the Directors are not aware of any person who was interested in 3% or more of the issued share capital of the Company or could directly or indirectly, jointly or severally, exercise control

Directors' responsibilities statement in respect of the annual report and the financial statements

The Directors are responsible for preparing the Annual Report and the Group and parent company 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 prepared the Group and parent company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 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 IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the Group and parent company financial statements respectively, and

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The Directors are responsible for the maintenance and integrity of the website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Principal risks and uncertainties

For further details on principal risks and uncertainties, refer to the strategic report on pages 9 to 20

Financial instruments

Financial risk management objectives and policies

During the year the Group's principal financial instruments are bank loans, bank overdrafts and cash The main purpose of these financial instruments is to raise finance for the Group's operations The Group has various other financial instruments such as trade receivables and trade payables which arise directly from its operations

The main risks arising from the Group's financial instruments have been cash flow and fair value interest rate risk, credit risk, liquidity risk, price risk and capital risk The Board reviews and agrees policies for managing each of these risks and they are summarised below

Cash flow and interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates
The Group's exposure to risk for changes in interest rates related primarily to the Group's bank loan and overdraft obligations Bank loan and overdraft interest is charged on a variable rate basis The Group's exposure to interest rate risk is limited given the level of debt in place Should substantial facilities be put in place in the future then the board will consider the impact of such facilities and whether it will be appropriate to hedge the interest rate risk

Credit risk

The Group trades only with recognised, creditworthy third parties and independent credit checks and credit limits are managed by the trading entities Credit limits can only be exceeded if authorised by the 1Spatial plc board Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant
There are no significant concentrations of credit risk within the Group
Credit risk also arises from cash and cash equivalents with banks and financial institutions For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted

Liquidity risk

The Group's objective is to maintain sufficient funds to support the ongoing strategic and trading activities of the Group The detailed forecasting is carried out at local level in the operating companies of the Group This is combined into a group cash flow forecast The Group forecasts are compared to available facilities to ensure that sufficient headroom is anticipated

Price risk
The main price risk that the Group is exposed to is changes in the price of third party software and maintenance that it uses in the solutions it supplies to customers When quoting for business the Group always obtains fixed price quotations from suppliers before submitting a price to the customer

Capital risk management
The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of return of capital and dividends paid to shareholders, issue new shares or sell assets/businesses to reduce debt The Group monitors capital on the basis of the gearing ratio

Disclosure of information to auditors
Each of the Directors of the Company at the date on which this report has been approved confirms that

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

Independent auditors
In accordance with Section 489 of the Companies Act 2006, a resolution proposing that PricewaterhouseCoopers LLP be re-appointed will be proposed at the Annual General Meeting

Annual general meeting
Notice of the annual general meeting to be held on 15 July 2015 is set out in the circular included with this document

Signed by order of the board

C Milverton (Director)
15 May 2015

Independent auditors' report to the members of 1Spatial plc

Report on the group financial statements

Our opinion

In our opinion, 1Spatial plc's group financial statements ("the financial statements")

- give a true and fair view of the state of the group's affairs as at 31 January 2015 and of its loss and cash flows for the year then ended,
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006

What we have audited

1Spatial plc's financial statements comprise

- the Consolidated statement of financial position as at 31 January 2015,
- the Consolidated statement of comprehensive income for the year then ended,
- the Consolidated statement of cash flows for the year then ended,
- the Consolidated statement of changes in equity for the year then ended, and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates In making such estimates, they have made assumptions and considered future events

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Other matters on which we are required to report by exception

Adequacy of information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion, we have not received all the information and explanations we require for our audit We have no exceptions to report arising from this responsibility

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made We have no exceptions to report arising from this responsibility

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement in respect of the annual report and the financial statements, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)") Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland) An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of

- whether the accounting policies are appropriate to the group's circumstances and have been consistently applied and adequately disclosed,
- the reasonableness of significant accounting estimates made by the directors, and
- the overall presentation of the financial statements

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Other matter

We have reported separately on the parent company financial statements of 1Spatial plc for the year ended 31 January 2015

Miles Saunders (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading
15 May 2015

1Spatial plc
Consolidated statement of comprehensive income
Year ended 31 January 2015

	Note	2015 £'000	2014 £'000
Revenue	5	19,598	17,266
Cost of sales		(8,804)	(9,063)
Gross profit		**10,794**	**8,203**
Administrative expenses		(12,260)	(10,428)
		(1,466)	(2,225)
Adjusted* EBITDA		3,052	1,067
Less depreciation		(267)	(277)
Adjusted* EBITA		2,785	790
Less amortisation and impairment of intangible assets		(1,183)	(627)
Less share based payment charge		(723)	(601)
Less strategic, integration and other one off items	7	(2,345)	(1,787)
Operating loss	6(a)	**(1,466)**	**(2,225)**
Finance income	8	30	44
Finance costs	8	(86)	(73)
Net finance cost		(56)	(29)
Loss before tax		**(1,522)**	**(2,254)**
Income tax credit	9	5	10
Loss for the year	5	**(1,517)**	**(2,244)**
Loss for the year attributable to			
Equity shareholders of the Parent		**(1,517)**	**(2,227)**
Non-controlling interest		**-**	**(17)**
		(1,517)	**(2,244)**
Other comprehensive income			
Items that may subsequently be reclassified to profit or loss			
Exchange differences arising on translation of net assets of foreign operations	21	(316)	22
Other comprehensive (loss) income for the year, net of tax		(316)	22
Total comprehensive loss for the year		(1,833)	(2,222)
Total comprehensive loss attributable to			
Equity shareholders of the Parent		**(1,833)**	**(2,205)**
Non-controlling interest		**-**	**(17)**
		(1,833)	**(2,222)**
Loss per ordinary share expressed in pence per ordinary share			
Basic	25	(0 23)	(0 41)
Diluted	25	(0 23)	(0 41)

*Adjusted for share option charge and strategic, integration and other one off items (note 7)

1Spatial plc
Consolidated statement of financial position
As at 31 January 2015

Registered number 5429800

	Notes	2015 £'000	2014 Restated * £'000
Assets			
Non-current assets			
Intangible assets including goodwill	10	14,729	14,019
Property, plant and equipment	11	552	1,712
Interests in associates	12	500	-
Total non-current assets		15,781	15,731
Current assets			
Inventories		-	15
Trade and other receivables	13	7,453	6,861
Current income tax receivable		134	42
Cash and cash equivalents	14	8,250	11,165
Assets classified as held for sale	15	994	-
Total current assets		16,831	18,083
Total assets		32,612	33,814
Liabilities			
Current liabilities			
Trade and other payables	16	(8,301)	(8,894)
Current income tax liabilities		(22)	(52)
Borrowings	17	(242)	(52)
Provisions	18	(1,151)	(666)
Total current liabilities		(9,716)	(9,664)
Non-current liabilities			
Borrowings	17	(191)	(268)
Deferred tax	19	(1,697)	(1,764)
Total non-current liabilities		(1,888)	(2,032)
Total liabilities		(11,604)	(11,696)
Net assets		21,008	22,118
Share capital and reserves			
Share capital	20	15,572	15,572
Share premium account	20	20,608	20,608
Own shares held	20, 21	(306)	(306)
Equity-settled employee benefits reserve	21	1,711	988
Merger reserve	21	13,900	13,900
Reverse acquisition reserve	21	(11,584)	(11,584)
Currency translation reserve	21	(292)	24
Accumulated losses	21	(18,601)	(17,084)
Total equity attributable to shareholders of the parent		21,008	22,118

* refer to notes 10 and 18

The financial statements on pages 27 to 75 were approved and authorised for issue by the Board on 15 May 2015 and signed on its behalf by

C Milverton
Director

1Spatial plc
Consolidated statement of changes in equity
Year ended 31 January 2015

£ 000	Share Capital	Share Premium Account	Own Shares Held	Equity-settled Employee Benefits Reserve	Merger Reserve	Reverse Acquisition Reserve	Currency Translation Reserve	Accumulated Losses	Total Equity Attributable to the Equity Shareholders of the parent company	Non-controlling interest	Total Equity
Balance at 1 February 2014	15,572	20,608	(306)	988	13,900	(11,584)	24	(17,084)	22,118	-	22,118
Comprehensive income											
Loss for the year	-	-	-	-	-	-	-	(1,517)	(1,517)	-	(1 517)
Other comprehensive income											
Exchange differences on translating foreign operations	-	-	-		-	-	(316)	-	(316)	-	(316)
Total other comprehensive income	-	-	-			-	(316)	-	(316)	-	(316)
Total comprehensive loss	-	-	-		-	-	(316)	(1 517)	(1 833)		(1,833)
Transactions with owners											
Recognition of share based payments			-	723				-	723		723
				723					723		723
Balance at 31 January 2015	15,572	20,608	(306)	1,711	13,900	(11,584)	(292)	(18,601)	21,008	-	21,008

£ 000	Share Capital	Share Premium Account	Own-Shares Held	Equity-settled Employee Benefits Reserve	Merger Reserve	Reverse Acquisition Reserve	Currency Translation Reserve	Accumulated Losses	Total Equity Attributable to the equity shareholders of the parent company	Non-controlling interest	Total Equity
Balance at 1 February 2013	12,572	6,503	(306)	387	13,900	(11,584)	2	(14,650)	6,824	-	6,824
Comprehensive income											
Loss for the year	-	-	-	-	-	-	-	(2,227)	(2,227)	(17)	(2 244)
Other comprehensive income											
Exchange differences on translating foreign operations	-	-	-			-	22		22		22
Total other comprehensive income	-	-	-		-	-	22	-	22		22
Total comprehensive loss	-	-	-		-	-	22	(2,227)	(2 205)	(17)	(2 222)
Transactions with owners											
Shares issued in the year (note 20)	3 000	15 000	-	-	-	-	-	-	18,000	-	18 000
Share issue costs		(895)		-	-	-	-	-	(895)		(895)
Recognition of share based payments	-	-		601	-		-	-	601	-	601
	3,000	14 105		601					17 706		17 706
Transactions with non-controlling interest											
Non-controlling interest arising on acquisition		-								385	385
Acquisition of non-controlling interest	-	-						(207)	(207)	(368)	(575)
	-						-	(207)	(207)	17	(190)
Balance at 31 January 2014	15,572	20,608	(306)	988	13,900	(11,584)	24	(17,084)	22,118	-	22,118

1Spatial plc
Consolidated statement of cash flows
Year ended 31 January 2015

	Note	2015 £'000	2014 £'000
Cash flows from operating activities			
Cash generated from/(used in) operations	(a)	379	(2,289)
Interest received		30	44
Interest paid		(86)	(73)
Tax (paid)/received		(21)	68
Net cash generated from /(used in) operating activities		302	(2,250)
Cash flows from investing activities			
Acquisition of subsidiaries (net of cash acquired)	24	-	(3,875)
Acquisition of investment in associate	12	(500)	-
Purchase of property, plant and equipment		(258)	(566)
Expenditure on product development capitalised		(2,363)	(1,726)
Proceeds from sale of property, plant and equipment		37	-
Net cash used in investing activities		(3,084)	(6,167)
Cash flows from financing activities			
Increase in borrowings		38	178
Repayment of borrowings		(47)	(285)
Net proceeds of share issue	20	-	17,105
Acquisition of non-controlling interest		-	(575)
Net cash (used in)/generated from financing activities		(9)	16,423
Net (decrease)/increase in cash and cash equivalents		(2,791)	8,006
Cash and cash equivalents at start of year		11,165	3,216
Effects of foreign exchange on cash and cash equivalents		(124)	(57)
Cash and cash equivalents at end of year	(b)	8,250	11,165

1Spatial plc

Notes to the consolidated statement of cash flows

(a) Cash generated from/(used in) operations

	2015 £'000	2014 £'000
Loss before tax	(1,522)	(2,254)
Adjustments for		
Depreciation charge	267	277
Amortisation	1,183	627
Share based payment charge	723	601
Net foreign exchange movement	-	233
Loss on disposal of property, plant and equipment	-	94
Decrease/(increase) in inventories	15	(1)
(Increase) in trade and other receivables	(1,020)	(1,188)
Increase/(decrease) in trade and other payables	192	(707)
Increase/(decrease) in provisions	485	-
Finance (income)/cost – net	56	29
Cash generated from/(used in) operations	379	(2,289)

(b) Reconciliation of net cash flow to movement in net funds

	2015 £'000	2014 £'000
(Decrease)/increase in cash in the year	(2,791)	8,006
Net cash inflow in respect of new borrowings	(38)	-
Net cash outflow in respect of borrowings paid	47	107
COhanges resulting from cash flows	(2,782)	8,113
Loans acquired with subsidiary	-	(423)
Effect of foreign exchange	(82)	(12)
Change in net funds	(2,864)	7,678
Net funds at beginning of year *	10,681	3,167
Net funds at end of year	7,817	10,845
Analysis of net funds		
Cash and cash equivalents classified as		
- Current assets	8,250	11,165
Bank and other loans	(433)	(320)
Net funds at end of year	7,817	10,845

* Net funds at the beginning of the 2015 year include £164,000 which was previously classified within other payables in 2014 The comparative information has not been restated

Notes to the financial statements
For the year ended 31 January 2015

1 General Information

The consolidated financial statements of the Group for the year ended 31 January 2015 comprise 1Spatial plc ('the Company') and its subsidiaries (together 'the Group')

The principal activities of the Company and its subsidiaries are described within the Directors' report, pages 21 to 24

The Company is a public limited company which is listed on the AIM London Stock Exchange and is incorporated and domiciled in the UK The address of its registered office is Pannell House, Park Street, Guildford, Surrey, GU1 4HN

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below These policies have been applied consistently throughout the year except where otherwise indicated

Basis of preparation

The consolidated financial statements of 1Spatial plc have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU), IFRIC (International Financial Reporting Interpretations Committee) interpretations and the Companies Act 2006 applicable to companies reporting under IFRS The consolidated financial statements have been prepared under the historical cost convention

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates It also requires management to exercise its judgement in the process of applying the Group's accounting policies The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4

Going Concern

The Directors have formed a judgement that, at the time of approving these financial statements there is a reasonable expectation that the Group has adequate resources and likely income to continue in operational existence for the foreseeable future and therefore adopt the going concern basis for the financial statements

Audit Exemption

Subsidiary undertakings Avisen Group Limited, Avisen UK Limited, Storage Fusion Limited, Strategy GPS Limited, Socium Limited, 1Spatial Holdings Limited, Star-Apic UK Limited and 1Spatial Technologies Limited have claimed the audit exemption under Companies Act 2006 Section 479A with respect to the year ended 31 January 2015 The group parent company, 1Spatial plc, has given a statement of guarantee under Companies Act 2006 Section 479C, whereby 1Spatial plc will guarantee all outstanding liabilities to which the respective subsidiary companies are subject as at 31 January 2015

Adoption of new and revised International Financial Reporting Standards (IFRS)

The accounting policies adopted in these consolidated financial statements are consistent with those of the annual financial statements for the year ended 31 January 2015, with the exception of the following standards, amendments to and interpretations of published standards adopted during the year

(i) New standards, amendments and interpretations affecting amounts reported in the financial statements
There have been only minor improvements to existing International Financial Reporting Standards and interpretations that are effective for the first time for the financial year beginning on or after 1 February 2014 which have been adopted by the Group with no impact on its consolidated results or financial position as they impact certain presentational and disclosure matters

(ii) New standards, amendments and interpretations adopted with no significant impact upon amounts reported in the financial statements

The following amendments to existing standards and new interpretations became effective in the current year, but have no significant impact on the Group's financial statements

- IFRS 10, 'Consolidated financial statements', effective on or after 1 January 2014, builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company The standard provides additional guidance in determining the control Amendments for investing entities are effective on or after 1 January 2014

- IFRS 11, 'Joint arrangement', effective on or after 1 January 2014, provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form Proportional consolidation of joint ventures is not permitted

- IFRS 12, 'Disclosures of interests in other entities', effective on or after 1 January 2014, includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles

- Amendments to IFRS 10, 11 and 12 on transition guidance, effective on or after 1 January 2014, provide additional transition relief in IFRS 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period

- IAS 27 (revised 2011), 'Separate financial statements', effective on or after 1 January 2014, includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10

- IAS 28 (revised 2011), 'Associates and joint ventures', effective on or after 1 January 2014, includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11

- Amendments to IFRS 32 on Financial instruments asset and liability offsetting, effective on or after 1 January 2014, update the application guidance in IAS 32, 'Financial instruments Presentation' to clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet

- Amendments to IAS 36 'Impairment of assets' on recoverable amount disclosures, effective on or after 1 January 2014, address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal

- Amendment to IAS 39 'Financial instruments Recognition and measurement', on novation of derivatives and hedge accounting, effective on or after 1 January 2014, allows hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met

- IFRIC 21, 'Levies', effective on or after 1 January 2014, sets out the criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event)

(iii) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 February 2014 and not adopted early

- Annual improvements 2012 These amendments include changes from the 2010–12 cycle of the annual improvements project, that affect the following standards
  - IFRS 2, 'Share-based payment'
  - IFRS 3, 'Business combinations'
  - IFRS 8, 'Operating segments'
  - IFRS 13, 'Fair value measurement'
  - IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets'
  - Consequential amendments to IFRS 9, 'Financial instruments', IAS 37, 'Provisions, contingent liabilities and contingent assets' and
  - IAS 39, 'Financial instruments – Recognition and measurement'

- Annual improvements 2013 These amendments include changes from the 2011-2-13 cycle of the annual improvements project that affect the following standards
  - IFRS 1, 'First time adoption'
  - IFRS 3, 'Business combinations'
  - IFRS 13, 'Fair value measurement' and
  - IAS 40, 'Investment property'

- Amendments to IFRS 10, 'Consolidated financial statements' and IAS 28, 'Investments in associates and joint ventures' These amendments address the inconsistency between the requirements of IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture

- Annual improvements 2014 These amendments impact the following standards
  - IFRS 5, 'Non-current assets held for sale and discontinued operations' regarding methods of disposal
  - IFRS 7, 'Financial instruments Disclosures', (with consequential amendments to IFRS 1) regarding servicing contracts
  - IAS 19, 'Employee benefits' regarding discount rates
  - IAS 34, 'Interim financial reporting' regarding disclosure of information

- IFRS 15, 'Revenue from contracts with customers' is a converged standard from the IASB and FASB on revenue recognition The directors are assessing the impact of this

Basis of consolidation

The results and net assets of all subsidiary undertakings acquired are included in the statement of comprehensive income and consolidated statement of financial position using the purchase method of accounting from the effective date at which control is obtained by the Group Subsidiary undertakings cease to be consolidated from the date at which the Group no longer retains control, or from the date that the subsidiary is classified within disposal groups held for sale Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefits from their activities, and is achieved through direct or indirect ownership of voting rights or by way of contractual agreement All inter-company balances and transactions are eliminated in full Accounting policies of subsidiaries are changed where necessary to ensure consistent policies across the Group

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange Where there is deferred consideration payable in cash, the amount is discounted to its present value The present value of deferred cash consideration is included within the Group's financial statements as a liability Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the statement of comprehensive income Acquisition related costs are expensed as incurred

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is as transactions with owners in their capacity as owners The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is regarded as equity

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker The chief operating decision-maker has been identified as the board of directors which makes the Group's strategic decisions

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') The consolidated financial statements are presented in UK Sterling which is the Company's functional and presentation currency Foreign currency adjustments arise on translating the overseas subsidiaries into the Group's presentation currency

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income in the period in which they arise

(c) Group Companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows

i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that balance sheet,

ii) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions), and

iii) all resulting exchange differences are recognised as a separate component of equity

(d) Goodwill and intangibles

Goodwill and intangibles adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for software licences, support and maintenance, professional services and software development services in the ordinary course of the Group's activities Revenue is recognised when the risks and rewards of ownership have passed to the customer and is shown net of Value Added Tax, rebates, discounts and after eliminating sales within the Group Where a sale includes multiple elements, where the fair value of each element can be reliably valued, the elements are separated Where this is not possible the revenue is spread over the period relating to the element with the longest recognition period

The fair value of the revenue for each element of the arrangement is then accounted for in accordance with the policies described below

Software Licence Revenue
Revenue is recognised when the software is delivered and accepted by the customer Software revenue is recognised depending on licensing terms

1 For a licence in perpetuity, where there are no further obligations and there is determination that collection of fee is reasonably assured, the revenue is recognised at the time the licence is delivered, and
2 For a licence that has a fixed term, where there are further obligations the revenue is recognised over the term of the licence

Support and Maintenance
Where the support and maintenance is sold for a fixed term and there is a continuing performance obligation, then the revenue is deferred and recognised over the term of the agreement on a straight line basis

Where fees for support and maintenance are bundled with the license fee, they are unbundled using the Group's objective evidence of the fair value of the elements represented by the Group's customary pricing for each element in separate transactions

Professional Services
Revenue is recognised as the work is carried out and the Group has the contractual right to receive the consideration

Software Development Services

Revenue is recognised upon stage of completion of the software project The percentage of completion of the project is arrived at by a considered objective review as to the work that has been carried out, against that which is yet to be completed, to allow the project to be delivered to the customer These reviews are carried out throughout the project

Interest income
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 discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount

Deferred costs and deferred revenues

To the extent that the cost and revenue recognition differs from the contractual billing terms, costs are included in deferred costs or accruals and revenue is included in accrued income or deferred income

Strategic, integration and other one off items

The Group has certain strategic, integration and other one off items e g acquisition costs, compromise agreements and redundancy payments Management has disclosed these separately to enable a greater understanding of the underlying profitability/(loss) of the trading business so that the underlying run rate of the businesses can be established and compared on a like for like basis each year

The policy of the Group is to separately disclose the following

- Strategic costs e g costs of due diligence on acquisitions which cannot be capitalised under IFRS 3 (revised) and costs of other strategic items such as aborted due diligence costs
- Integration costs, such as bonuses, duplicated costs, or redundancy and compromise payment costs
- One off items that will affect the underlying profitability of the business

Adjusted profit is the profit prior to the charge of share options, amortisation and strategic, integration and other one off items

Current and deferred income tax

The tax charge for the year comprises current and deferred tax Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity In this case the tax is also recognised in other comprehensive income or directly in equity, respectively

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the reporting date Taxable profit differs from loss as reported in the consolidated statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit Deferred tax liabilities are generally recognised for all taxable temporary differences Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised

A deferred tax liability is provided on intangible assets acquired as part of a business combination This results in an increase in residual goodwill by the same amount This liability has been recognised in accordance with IAS12 This liability is only payable if the intangible asset is sold separately and this is not expected to happen

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates and laws that have been enacted or substantively enacted by the end of the financial year The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the financial year, to recover or settle that carrying amount of its assets and liabilities

Intangible assets

(a) Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the excess is recognised immediately in profit and loss as a bargain purchase gain Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses Any impairment is charged to the statement of comprehensive income and is not reversed Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold Goodwill is allocated to cash-generating units ("CGU's") for the purpose of impairment testing The allocation is made to those CGU's that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment

(b) Other intangible assets

Other intangible assets are carried at cost less accumulated amortisation and impairment losses

An intangible asset acquired as part of a business combination is recognised outside goodwill if the asset is separable or arises from contractual or other legal rights and its fair value can be measured reliably

Expenditure on internally developed intangible assets, excluding development costs, is taken to the statement of comprehensive income in the year in which it is incurred Development expenditure is recognised as an intangible asset only after its reliable measurement, technical feasibility and commercial viability can be demonstrated The types of costs capitalised include employee costs and subcontractor costs directly associated with development activity

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above Where no internally-generated intangible asset can be recognised, development expenditure is recognised in the statement of comprehensive income in the period in which it is incurred

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated impairment losses Internally generated intangible assets consist of development costs

Intangible assets with a finite life are amortised on a straight line basis over their expected useful lives, as follows

- Brands – 5 to15 years
- Customer and related contracts – 5 to 15 years
- Software and intellectual property – 3 to 10 years
- Development costs – 2 to 5 years
- Website costs – 3 years

Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation These are tested annually for impairment Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount The recoverable amount is the higher of an asset's fair value less costs to sell and value in use For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units) Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use

Depreciation is provided at rates calculated to write off the cost or valuation of property, plant and equipment, less their estimated residual value over their expected useful lives on the following basis

Leasehold property improvements	-	straight line over period of lease
Motor vehicles	-	33% per annum – straight line
Fixtures, fittings and equipment	-	20% to 33% per annum – straight line
Buildings	-	4% per annum – straight line

The Directors annually review the residual value and estimated useful lives of the property, plant and equipment

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income

Investments in associates

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

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 *Non-current assets held for sale and discontinued operations*

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

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

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount Any impairment loss recognised forms part of the carrying amount of the investment Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39 The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group

Non-current assets held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use The condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of the classification

Financial assets

The Group classifies its financial assets as loans and receivables The classification depends on the purpose for which the financial assets were acquired Management determines the classification of its financial assets at initial recognition

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market They are included in current assets, except for maturities greater than 12 months after the reporting date These are classified as non-current assets The Group's financial assets comprise 'trade and other receivables' and 'cash and cash equivalents' in the statement of financial position

(a) Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business If collection is expected in one year or less they are classified as current assets If not, they are presented as non-current assets

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate The carrying amount of the asset is reduced through the provision for impairment of trade receivables, and the amount of the loss is recognised in the statement of comprehensive income within administrative expenses When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables Subsequent recoveries of amounts previously written off are credited against administrative expenses in the statement of comprehensive income

(b) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise readily accessible cash at bank and in hand Bank accounts held which have an original maturity of more than three months, or which are subject to significant restrictions over access, are not presented as cash and cash equivalents Such amounts are shown separately as short term investments or other financial assets with appropriate disclosure of the related terms

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts

Financial liabilities

The Group classifies its financial liabilities as trade and other payables and borrowings according to the substance of the contractual arrangements entered into

(a) Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers Accounts payable are classified as current liabilities if payment is due within 12 months or less If not, they are presented as non-current liabilities

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method

(b) Borrowings

All borrowings are initially recognised at fair value less directly attributable transaction costs After initial recognition, borrowings are subsequently measured at amortised cost, any difference between the proceeds and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of a liability for at least 12 months after the reporting date

Provisions

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

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

(a) Restructurings

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the on-going activities of the entity

(b) Loss-making contracts

Present obligations arising under loss-making contracts are recognised in full on identification of the contract being loss-making and measured as onerous contract provisions An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it

Share capital

Ordinary shares are classified as equity Incremental costs directly attributable to the issue of new shares, share options or share warrants are shown in equity as a deduction, net of tax, from the proceeds

Employee benefits

(a) Pensions

Pension contributions made into personal or company pension schemes, which are defined contribution schemes, are charged to the statement of comprehensive income as incurred The group has no further payment obligations once the contributions have been paid

(b) Share based payments

The Group operates a number of equity-settled, share-based payment compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group The fair value of the employee service received in exchange for the grant of the options is recognised as an expense over the vesting period The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any service and non-market performance vesting conditions (for example, profitability and sales growth targets) Non-market vesting conditions are included in assumptions about the number of options that are expected to vest At each reporting date, the entity revises its estimates of the number of options that are expected to vest It recognises the impact of the revision to original estimates, if any, in the statement of comprehensive income, with a corresponding adjustment to equity

Where options are exercised, the Company issues new shares The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised

Leases

Assets held under leases that result in group companies receiving substantially all the risks and rewards of ownership are classified as finance leases and capitalised as property, plant and equipment at the lower of cost and the estimated present value of the underlying lease payments The interest element of the rental obligation is allocated to the accounting periods to reflect a constant rate of interest on the outstanding obligation The corresponding finance lease obligation is included within payables These assets are depreciated over the term of the lease or the estimated useful life of the asset, whichever is shorter Rentals under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease

3 Financial instruments

Financial risk factors

The Group's activities expose it to a variety of financial risks market risk (including cash flow and fair value interest rate risk), credit risk and liquidity risk

Risk management is carried out by the finance team under policies approved by the board of directors The Board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, foreign exchange risk and use of derivative financial instruments and non-derivative financial instruments

(a) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency

During the year, the Group had operating subsidiaries in Australia, Belgium, France and Ireland, whose revenues and expenses are denominated in Australian dollars or euros

The sterling statement of financial position is exposed to potential foreign currency losses on translation of the net assets of these subsidiaries The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting year are as follows

	Net (Liabilities)/Assets	
	At 31 January 2015 CU'000	At 31 January 2014 CU'000
Euros	2,332	4,814
Australian dollars	181	(1)
US dollars	1,956	149
New Zealand dollars	-	40
Malaysian ringgits	-	(10)
South African rands	-	334
Norwegian kroner	83	27
Danish kroner	(1)	-
Canadian dollars	40	-
Moroccan dirham	4,622	2,993
Swiss francs	-	28
Tunisian dinar	-	2

The following table details the Group's sensitivity to a 10% strengthening of the currency unit (CU) against sterling The sensitivity adjusts their translation at the year end 10% represents management's assessment of the reasonably possible movement in exchange rates

	Australian dollar currency impact		Euro currency impact	
	At 31 January 2015 £'000	At 31 January 2014 £'000	At 31 January 2015 £'000	At 31 January 2014 £'000
(Loss)/profit	9	26	20	(38)
Net assets/(liabilities)	183	174	(87)	(114)

The Board do not consider it appropriate to borrow in Australian dollars or euros in order to hedge against this translation risk as they consider any hedging benefits would be outweighed by the creation of an interest rate risk on the borrowings

(b) Cash flow and fair value interest rate risk

The Group's exposure to risk in the year ended 31 January 2015 for changes in interest rates related primarily to the Group's bank borrowings relating to a bank loan in 1Spatial Belgium Interest is charged at fixed rates between 2 19 and 4 86% Group exposure to interest rate risk is limited given the level of debt in place

Financial Liabilities	At 31 January 2015 £'000	At 31 January 2014 £'000
Fixed rate	433	320
	433	320

There is no interest on trade and other payables at 31 January 2015 (2014 nil)

Sensitivity analysis

Any changes in the base rate in the UK will not impact the borrowings

The Group does not consider the cash flow and fair value interest rate risk to be significant Should substantial debt be put in place in the future the Board will consider whether it would be appropriate to hedge the cash flow and interest rate risk However, no such instrument has been taken out in the current or prior year The Board will continue to keep this position under review

Financial Assets	At 31 January 2015 £'000	At 31 January 2014 £'000
Cash at bank	8,250	11,165

Cash balances	At 31 January 2015 £'000	At 31 January 2014 £'000	At 31 January 2015 CU'000	At 31 January 2014 CU'000
Sterling	5,005	9,626	5,005	9,626
Euros	2,005	1,400	2,668	1,703
Australian dollars	61	75	118	140
US dollars	1,092	9	1,644	15
Moroccan dirham	87	55	1,247	753
	8,250	11,165		

Cash is placed upon deposit at the best market rates available should an excess above that required for working capital be held

Other financial assets comprise trade receivables and other receivables as detailed in note 13

(c) Credit risk

Credit risk is managed by the trading entities Credit risk arises from exposures to outstanding customer receivables Credit checking is used however, if there is no independent rating, management will assess the credit quality of the customer, taking into account its financial position, past experience and other factors Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board

Credit risk also arises from cash and cash equivalents with banks and financial institutions For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted

The table below shows the ageing of customer receivables at the reporting date (shown net of provision of impairment)

	2015 £'000	2014 £'000
Current	2,609	2,740
Up to 3 months overdue	902	1,004
3 to 6 months overdue	67	145
6 to 12 months overdue	135	46
> 12 months overdue	20	110
	3,733	4,045

Refer to note 13 for further details

(d) Liquidity risk

Liquidity is managed so that sufficient funds are maintained to support the ongoing strategic and trading activities of the Group

Management monitors rolling forecasts of the Group's expected cash flow The detailed forecasting is carried out at local level in the operating companies of the Group This is combined into a group cash flow forecast

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date The amounts disclosed in the table are the contractual undiscounted cash flows Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

At 31 January 2015	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000
Borrowings	242	55	136
Trade and other payables*	5,179	-	-
	5,421	55	136

At 31 January 2014	Less than 1 year £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000
Borrowings	52	59	209
Trade and other payables*	4,216	-	-
	4,268	59	209

*Excludes deferred income as not a financial liability as there is no obligation to pay cash Excludes also statutory liabilities such as other taxation and social security

(e) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders and return of capital to shareholders, issue new shares or sell assets/businesses to reduce debt

The Group monitors capital on the basis of the gearing ratio This ratio is calculated as net funds/(debt) divided by total capital Net funds/(debt) is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated statement of financial position) less cash and cash equivalents Total capital is calculated as 'equity' as shown in the consolidated statement of financial position sheet plus net debt

During 2015, the Group's strategy, which was unchanged from 2014, was to maintain the gearing ratio below 50%

	2015 £'000	2014 £'000
Capital risk management		
Total borrowings	433	320
Less cash and cash equivalents	(8,250)	(11,165)
Net funds	(7,817)	(10,845)
Total equity	21,008	22,118
Total capital	13,191	11,273
Gearing ratio	**Not applicable**	

There is no gearing at 31 January 2015 or 31 January 2014 as the Company had more cash and cash equivalents than borrowings at this date The group's borrowings are not subject to any covenants

(f) Price risk

The main price risk that the Group is exposed to is changes in the price of third party software support and maintenance that it uses in the solutions it supplies to customers When quoting for business the Group always obtains fixed price quotations from suppliers before submitting a price to the customer

4 Significant accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

The Group makes estimates and judgements concerning the future The resulting accounting estimates will, by definition, seldom equal the related actual results The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below

Revenue recognition
The contractual arrangements of sales are often complex with multiple elements e g software and maintenance Management has to make appropriate judgements and estimates in relation to the fair value of each of these elements in accordance with the guidance set out in IAS 18

Where a project extends over a time period, management make a judgement on the fair value of the work completed in order to be able to recognise revenue in relation to the project in the correct periods An objective review of each project is undertaken on an individual basis and management's best judgement is used as the basis of completion of the project, thereby defining levels of revenue recognised

Allocation of fair value – when a bundled service is sold the Group uses critical judgement to unbundle the service and recognise elements of revenue separately as shown in the revenue recognition policy in note 2

Loss-making contracts
Present obligations arising under loss-making contracts are recognised in full on identification of the contract being loss-making and measured as onerous contract provisions An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it Judgement exists in the estimation of the future costs to complete a project

Impairment of goodwill
The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy The recoverable amounts of cash-generating units have been determined based on value in use Management have also had to make significant estimates and judgements when putting together the budgets and projections which are used in the value in use calculations These judgements are mainly in relation to projected revenues and margins Refer to note 10 for further details of the impairment charge in the year

Valuation of intangible assets
Management have to make a number of estimates and judgements when valuing intangible assets For example, expected growth rates,.attrition rates, useful economic lives and royalty rates These estimates and judgements have to be updated when intangibles are reviewed for impairment, which was the case in the current year Refer to note 10 for further details

Capitalisation of development expenditure
Management have to make judgements in whether development expenditure has met the criteria for capitalisation or whether it should be expensed in the year One of the criteria is commercial viability of the product which requires management to assess the future sales of products being developed

5 Segmental information

Management has determined the operating segments based on the reports reviewed by the Board that are used to make strategic decisions

The United Kingdom is the home country of the Group For management purposes during the year, the Group was organised into the following operating divisions – Central costs, Geospatial (1Spatial Group including France and Belgium) and Other (Avisen and Storage Fusion) These divisions are the basis on which the Group reports its segmental information Where applicable, the reportable operating segments derive their revenue primarily from the sale of consultancy and software The Central costs mainly represents costs associated with 1Spatial plc including costs of the board of Directors and other costs which are not specific to any of the other segments Examples of cost include the group accounting function and marketing It also includes costs associated with being an AIM listed company and other statutory costs including audit fees

The Board assesses the performance of the operating segments based on a measure of Adjusted EBITDA This measurement basis excludes the effects of strategic, integration and other one off items from the operating segments

As reported in the 2014 annual report, Star-Apic was re-branded as a 1Spatial company (1Spatial France and Belgium) from 1 February 2014 Given the re-branding, the results of Star-Apic from 1 February 2014, have been reported to the Board, as part of the 1Spatial business The directors have therefore restated the comparative segmental disclosures to combine the Star-Apic and 1Spatial segments into the Geospatial segment In addition, the previously reported segments Storage Fusion and Avisen have been merged into the Other segment

1Spatial plc

The segment information provided to the Board for the reportable segments for the year ended 31 January 2015 is as follows

31 January 2015	Central costs £'000	Geospatial £'000	Other £'000	Total £'000
Revenue	-	17,934	1,664	19,598
Total revenue from third parties	-	17,934	1,664	19,598
Cost of sales	-	(8,000)	(804)	(8,804)
Gross profit	-	9,934	860	10,794
Total administrative expenses	(3,818)	(7,758)	(684)	(12,260)
Adjusted EBITDA	(2,506)	5,106	452	3,052
Less depreciation	(26)	(234)	(7)	(267)
Adjusted EBITA	(2,532)	4,872	445	2,785
Less amortisation and impairment of intangible assets	-	(1,084)	(99)	(1,183)
Less share based payment charge	(604)	(129)	10	(723)
Less strategic, integration and other one-off items	(682)	(1,482)	(181)	(2,345)
Total operating (loss)/profit	(3,818)	2,176	176	(1,466)
Finance income	25	5	-	30
Finance cost	(2)	(81)	(3)	(86)
Net finance income/(cost)	23	(76)	(3)	(56)
(Loss)/profit before tax	(3,795)	2,100	173	(1,522)
Tax	-	(38)	43	5
(Loss)/profit for the year	(3,795)	2,062	216	(1,517)
Results attributable to non-controlling interests	-	-	-	-
(Loss)/profit attributable to equity holders of the parent	(3,795)	2,062	216	(1,517)

31 January 2015	Central costs £'000	Geospatial £'000	Other £'000	Total £'000
Segment assets	4,288	25,740	2,584	32,612
Segment liabilities	(1,129)	(9,183)	(1,292)	(11,604)
Segment net assets	**3,159**	**16,557**	**1,292**	**21,008**

All assets are allocated to reportable segments with the exception of investments in associates, which are allocated to the Geospatial segment

1Spatial plc

31 January 2014	Central costs £'000	Geospatial £'000	Other £'000	Total £'000
Revenue	-	15,378	1,888	17,266
Total revenue from third parties	-	15,378	1,888	17,266
Cost of sales	-	(7,938)	(1,125)	(9,063)
Gross profit	-	7,440	763	8,203
Total administrative expenses	(3,530)	(6,093)	(805)	(10,428)
Adjusted EBITDA	(2,195)	2,976	286	1,067
Less depreciation	(21)	(208)	(48)	(277)
Adjusted EBITA	(2,216)	2,768	238	790
Less amortisation and impairment of intangible assets	-	(627)	-	(627)
Less share based payment charge	(399)	(181)	(21)	(601)
Less strategic, integration and other one-off items	(915)	(613)	(259)	(1,787)
Total operating (loss)/profit	(3,530)	1,347	(42)	(2,225)
Finance income	40	4	-	44
Finance cost	(10)	(58)	(5)	(73)
Net finance income/(cost)	30	(54)	(5)	(29)
(Loss)/profit before tax	(3,500)	1,293	(47)	(2,254)
Tax	-	28	(18)	10
(Loss)/profit for the year	(3,500)	1,321	(65)	(2,244)
Loss attributable to non-controlling interests	-	(17)	-	(17)
(Loss)/profit attributable to equity holders of the parent	(3,500)	1,304	(65)	(2,227)
	(3,500)	1,321	(65)	(2,244)

31 January 2014	Central costs £'000	Geospatial £'000	Other £'000	Total £'000
Segment assets	8,455	23,727	1,632	33,814
Segment liabilities	(1,060)	(9,805)	(831)	(11,696)
Segment net assets	7,395	13,922	801	22,118

The revenue from external parties reported to the Board is measured in a manner consistent with that in the statement of comprehensive income

The amounts provided to the Board in the year ended 31 January 2015 with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements Assets are allocated based on the operations of the segment and the physical location of the asset Liabilities are allocated based on the operations of the segment

The Group's operations are located in the UK, Ireland, Australia and mainland Europe The following table provides an analysis of the Group's sales by geographical destination

	2015 £'000	2014 £'000
United Kingdom	7,635	7,343
Europe	7,153	6,836
Rest of World	4,810	3,087
	19,598	17,266

The following table represents major customers where revenues exceed 10% of the Group's revenue

	Operating segment	2015 £'000	2014 £'000
Customer 1	Geospatial	2,019	1,943

6(a) Operating loss

	2015 £'000	2014 £'000
Loss for the year is stated after charging		
Wages and salaries	9,043	7,009
Social security costs	1,834	1,448
Other pension costs	418	364
Share based payment charge	723	601
Staff costs including executive directors and compromise agreements	12,018	9,422

Depreciation of property, plant and equipment - owned assets	267	277
Amortisation of intangible assets	1,183	627
Net foreign exchange losses	205	140
Operating lease payments	689	552
Auditors remuneration		
Fees payable to the Company's auditors and its associates for the audit of the parent company and consolidated financial statements	109	128
Fees payable to the Company's auditors and its associates for other services		
- The audit of the Company's subsidiaries	16	34
- Corporate finance services	-	91
- Audit related assurance services	12	15

6(b) Average monthly number of personnel employed (including executive directors)

	2015	2014
Directors	3	3
Consulting	40	31
Sales and marketing	29	24
Administration	23	20
Support	18	14
Software developers	86	68
	199	160

6(c) Directors emoluments

Details of individual executive directors' remuneration for the year are as follows

	2015	2014
	£'000	£'000
Total executive directors emoluments	1,096	976

The individual emoluments which correspond to the Directors in the current year are as follows, with the comparative shown for those directors only

	Emoluments	Pension contributions	Total 2015	Emoluments	Pension contributions	Total 2014
	£'000	£'000	£'000	£'000	£'000	£'000
M Hanke* (Note 1)	545	19	564	404	38	442
C Milverton* (Note 1)	343	14	357	316	14	330
M Sanderson*	158	17	175	187	17	204
	1,046	50	1,096	907	69	976

*Current executive director team

Note 1 Included within Emoluments for 2015 is a non-contractual bonus of £150,000 for Marcus Hanke and £80,000 for Claire Milverton in relation to the Star-Apic acquisition and related integration cost savings In addition, during 2015 the Board engaged a remuneration consultant to review the emoluments of Marcus Hanke and Claire Milverton which has given rise to a new remuneration scheme which has been implemented from 1 November 2014

No directors as at 31 January 2015 and 2014 were accruing benefits under a money purchase scheme

Details of options for directors who served during the year are as follows

	1 February 2014	Granted	Exercised	31 January 2015	Scheme		
					EMI share option	Executive unapproved share option	Exercise price
	Number	Number	Number	Number	Number	Number	
M Hanke	3,238,866	-	-	3,238,866	3,238,866	-	4 94p
M Hanke	7,000,000	-	-	7,000,000	1,090,909	5,909,091	6p
C Milverton	2,429,150	-	-	2,429,150	2,429,150	-	4 94p
C Milverton	5,000,000	-	-	5,000,000	1,575,758	3,424,242	6p
M Sanderson	1,619,433	-	-	1,619,433	1,619,433	-	4 94p
	19,287,449	-	-	19,287,449	9,954,116	9,333,333	

Details of the share option schemes in the table above are included in note 22 The share option charge in the year, relating to directors, is £389,000 (2014 161,000)

Details of individual non-executive directors' fees for the year are as follows

	2015 £'000	2014 £'000
M Yeoman	27	37
M Battles (note a)	-	17
S Berry	60	25
D Richards (note b)	30	19
	117	98

The non-executive directors invoice for their services, which are paid to their personal consultancy businesses

Note a – retired 22 May 2013

Note b – appointed 12 June 2013

There are no other personnel that meet the definition of key management personnel under IAS 24, other than the directors

7 Strategic, integration and other one off items

In accordance with the Group's policy for strategic, integration and other one off items, the following charges were included in this category for the year

	2015 £'000	2014 £'000
Costs associated with Corporate transactions and other Strategic costs	514	834
Integration costs associated with France and Belgium business	402	484
Training and other costs associated with the implementation of the new ERP system	78	251
Restructuring and redundancy costs of non-Star-Apic business	88	126
Restructuring and redundancy costs of Belgium business	1,135	-
Other	128	92
Total	2,345	1,787

A high proportion of the cost associated with Corporate transactions and other strategic costs relates to the acquisition of Sitemap Ltd on 30 January and 1Spatial's US distributor LSI on 3 February 2015 (post year-end) The costs are mainly in relation to due diligence and legal fees In addition, and in line with our stated strategy, the company assessed other potential acquisitions during the year and used various advisers to assist with this process and the overall strategic direction of the company

During the year, we largely completed the integration of the France and Belgium businesses (formerly) Star-Apic into the 1Spatial business The costs above are those specifically attributable to this and include Redundancy costs (mainly in Belgium), staff bonuses in relation to integration cost savings, certain IT costs, rebranding costs, costs of aligning development, sales and marketing strategies, and certain staff costs directly attributable to the integration In addition, the cost of developing 1Spatial's new global and multi-lingual website is included here

To support our growth strategy, we have implemented a new ERP system This went live in August 2013 in the UK, Ireland and Australia and certain modules went live in France and Belgium during 2014 Further implementation work on this is due to continue during 2015 as the finance modules are brought on-line

8 Finance income and costs

	2015 £'000	2014 £'000
Finance income		
Bank interest receivable	30	44
	30	44
Finance costs		
Interest expense		
- bank borrowings (including overdrafts)	(24)	(13)
- hire purchase and finance leases	(21)	(14)
- factoring and bank charges	(31)	(36)
- other	(10)	(10)
	(86)	(73)
Net finance (cost)/income	(56)	(29)

9 Income tax charge/(credit)

	2015 £'000	2014 £'000
Current tax		
UK corporation tax on income for year	22	-
Foreign tax	42	107
Adjustments in respect of prior years	(102)	(7)
Total current tax	(38)	100
Deferred tax (note 19)		
Origination and reversal in temporary differences	33	(14)
Change in rates of taxation	-	(96)
Total deferred tax	33	(110)
Total tax credit	(5)	(10)

Factors affecting the tax charge/(credit) for the year
The tax assessed for the year is higher (2014 higher) than the standard rate of corporation tax in the UK The differences are explained below

	2015 £'000	2014 £'000
Loss on ordinary activities before tax	(1,522)	(2,254)
	(1,522)	(2,254)
Loss on ordinary activities before tax multiplied by the effective rate of corporation tax in the UK of 21 33% (2014 23 17%)	(325)	(522)
Effect of		
Expenses not deductible for tax purposes	112	199
Foreign tax	(16)	66
Capital allowances in deficit/(excess) of depreciation	6	(2)
Overseas tax rates higher/(lower) than UK tax rates	37	(59)
Tax losses not recognised	617	535
Benefit of losses brought forward utilised not previously recognised	27	(152)
Research and development relief	(43)	-
Other timing differences	(320)	99
Adjustments in respect of prior years	(102)	(7)
Adjustments to deferred tax in respect of earlier periods	12	(16)
Impact of change in tax rate	(10)	(151)
Total tax credit for year	(5)	(10)

The standard rate of corporation tax in the UK changed from 23% to 21% with effect from 1 April 2014 Accordingly, the company's losses for this financial year are taxed at an effective rate of 21 33% Legislation to reduce the main rate of corporation tax from 21% by a further 1% to 20% from 1 April 2015 was included in the Finance Act 2013 and substantively enacted on 17 July 2013 and so the relevant deferred tax balances have been re-measured at 20% for the current year end

1Spatial plc

10 Intangible assets including goodwill

	Goodwill (Restated *) £'000	Brands £'000	Customers and related contracts £'000	Software £'000	Development costs £'000	Website costs £'000	Intellectual property £'000	Total £'000
Cost								
At 1 February 2014	13,467	232	2,493	4,129	3,383	30	12	23,746
Additions	-	-	-	13	2,344	-	6	2,363
Disposals	-	-	-	-	-	-	-	-
Effect of foreign exchange	(199)	-	(136)	(89)	(92)	-	-	(516)
At 31 January 2015	13,268	232	2,357	4,053	5,635	30	18	25,593
Accumulated impairment and amortisation								
At 1 February 2014	6,355	50	347	1,556	1,389	30	-	9,727
Amortisation	-	23	232	428	500	-	-	1,183
Effect of foreign exchange	-	-	(12)	(26)	(8)	-	-	(46)
At 31 January 2015	6,355	73	567	1,958	1,881	30	-	10,864
Net book amount at 31 January 2015	6,913	159	1,790	2,095	3,754	-	18	14,729

	Goodwill £'000	Brands £'000	Customers and related contracts £'000	Software £'000	Development costs £'000	Website costs £'000	Intellectual property £'000	Total (Restated *) £'000
Cost								
At 1 February 2013	10,040	232	899	3,149	1,678	30	-	16,028
Additions	-	-	-	-	1,714	-	12	1,726
Acquisition of subsidiary	3,478	-	1,644	1,071	-	-	-	6,193
Disposals	-	-	-	-	-	-	-	-
Effect of foreign exchange	(51)	-	(50)	(91)	(9)	-	-	(201)
At 31 January 2014	13,467	232	2,493	4,129	3,383	30	12	23,746
Accumulated impairment and amortisation								
At 1 February 2013	6,355	27	150	1,198	1,340	30	-	9,100
Amortisation	-	23	197	358	49	-	-	627
At 31 January 2014	6,355	50	347	1,556	1,389	30	-	9,727
Net book amount at 31 January 2014	7,112	182	2,146	2,573	1,994	-	12	14,019

* Dunng the course of the integration of Star-Apic (1Spatial France and Belgium), additional provisions on certain long term contracts were identified as being required at acquisition As these were identified within 12 months of the acquisition, they have been reflected as fair value adjustments at acquisition in accordance with IFRS 3, *'Business combinations'* The adjustment has been to increase goodwill and provisions by £574,000

The net book amount of development costs includes £3,754,000 (2014 £1,994,000) internally generated capitalised software development costs that meet the definition of an intangible asset

The amortisation charge of £1,183,000 (2014 £627,000) is included in the administrative expenses in the statement of comprehensive income

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units (CGUs) identified The basis of the allocation is made to those CGU's that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment A summary of the goodwill allocation is presented below

	2015				2014			
	Avisen	1Spatial	1Spatial France / Belgium	Total	Avisen	1Spatial	1Spatial France / Belgium	Total Restated
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Goodwill								
Opening NBA	339	3,346	3,427	7,112	339	3,346	-	3,685
Impairment/ Disposal	-	-	-	-	-	-	-	-
Arising on acquisition	-	-	-	-	-	-	3,478	3,478
Foreign exchange	-	-	(199)	(199)	-	-	(51)	(51)
Closing NBA	339	3,346	3,228	6,913	339	3,346	3,427	7,112

Basis for calculation of recoverable amount

The Group has prepared, and formally approved, a one year plan for each CGU The detailed plan put together by the management team and the Board makes judgements and assessments on revenue and gross profit expectations This is from both contracted and pipeline revenue streams It also takes account of historic success of winning new work and has been prepared in accordance with IAS 36 'Impairment of Assets'

The key assumptions used in the value in use calculations were the pre-tax discount rates applied (17%) for all CGU's and the growth assumptions for each CGU (See below)

1Spatial (excluding France and Belgium) has forecast growth in sales and corresponding costs for the year ended 31 January 2016 (22% and 42% respectively) Growth is forecast at 5% for the following two years with 2% growth thereafter 1Spatial France and Belgium (formerly Star-Apic) has forecast an increase in sales of 5% for the year ended 31 January 2016 and a slight reduction in overheads of 1% for the year ended 31 January 2016 Growth is forecast at 5% for the following two years with 2% growth thereafter For Avisen revenue is forecast to increase by 42% while overheads are forecast to decrease by 21% in the year ended January 2016, no growth thereafter has been forecast For Storage Fusion revenue is forecast to increase by 24% while overheads are forecast to decrease by 12% in the year ended January 2016 Growth is forecast at 5% for the following two years with 2% growth thereafter

The rates used in the above assumptions are consistent with management's knowledge of the industry and strategic plans going forward

The assumptions noted above have been given in terms of revenue and overhead percentage growth For 2016 and subsequent years, the assumption has been provided in terms of growth on the prior year EBIT margin

The growth rate for subsequent years of 2% does not exceed the long-term growth rate for the business in which the CGU operates Discount rates used are pre-tax and reflect specific risks relating to the relevant segments

The forecasts are most sensitive to changes in revenue and overhead assumptions (taken together as the EBIT margin)

There would have to be a reduction in forecast EBIT margin by 30% in the year ended 31 January 2016 for the headroom to be removed on 1Spatial (excluding France and Belgium)

There would have to be a reduction in forecast EBIT margin by 8% in the year ended 31 January 2016 for the headroom to be removed on 1Spatial France and Belgium

There would have to be a reduction in forecast EBIT margin by 25% in the year ended 31 January 2016 for the headroom to be removed on Avisen

11 Property, plant and equipment

At 31 January 2015	Buildings £'000	Leasehold property improvements £'000	Motor vehicles £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At 1 February 2014	1,110	314	69	493	1,986
Additions	38	1	76	143	258
Disposals	-	(52)	(34)	(8)	(94)
Reclassified as held for sale	(1,053)	-	-	-	(1,053)
Exchange adjustment	(95)	39	20	(4)	(40)
At 31 January 2015	-	302	131	624	1,057
Accumulated depreciation					
At 1 February 2014	28	(12)	(4)	262	274
Charge for year	33	56	28	150	267
Disposals	-	(51)	-	(6)	(57)
On assets reclassified as held for sale	(59)	-	-	-	(59)
Exchange adjustment	(2)	62	20	-	80
At 31 January 2015	-	55	44	406	505
Net book amount at 31 January 2015	-	247	87	218	552

At 31 January 2014	Buildings £'000	Leasehold property improvements £'000	Motor vehicles £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At 1 February 2013	-	58	67	302	427
Additions	-	312	89	226	627
Acquisition of subsidiary	1,146	33	-	59	1,238
Disposals	-	(79)	(88)	(89)	(256)
Exchange adjustment	(36)	(10)	1	(5)	(50)
At 31 January 2014	1,110	314	69	493	1,986
Accumulated depreciation					
At 1 February 2013	-	21	7	133	161
Charge for year	29	29	20	199	277
Disposals	-	(61)	(32)	(69)	(162)
Exchange adjustment	(1)	(1)	1	(1)	(2)
At 31 January 2014	28	(12)	(4)	262	274
Net book amount at 31 January 2014	1,082	326	73	231	1,712

Depreciation expense of £267,000 (2014 £277,000) has been charged in administrative expenses

12 Interests in associates

The investment in the associate is stated at cost less provision for any impairment

	£'000
Cost	
At 1 February 2014	-
Additions	500
At 31 January 2015	500
Provisions for impairment	
At 1 February 2014 and 31 January 2015	-
Net book value	500

Details of the associate at 31 January 2015, which was acquired on 30 January 2015, are as follows

Name	Principal activity	Place of incorporation (or registration) and operation	Proportion of ownership interest %	Proportion of voting power held %
Sitemap Limited	Location based software	United Kingdom	49%	49%

The Group's share of the assets including goodwill of the associate is £500,000 (2014 £nil)

As noted in the Chairman's statement, Sitemap Limited is currently in R&D/incubator stage and will be going to market during the next financial year Sitemap Limited will add a new dimension, although complementary, to the group and will have data provision at the core of its offering, along with leveraging the tools created by 1Spatial

The associate is accounted for using the equity method in these consolidated financial statements as set out in the group's accounting policies in note 2

Pursuant to a shareholder agreement, the Company has the right to cast 49% of the votes at shareholder meetings of Sitemap Limited

The financial year end of Sitemap Limited is 30 April This was the reporting date established when that company was incorporated For the purposes of applying the equity method of accounting, and given the date of the acquisition, no results of Sitemap Limited between the date of acquisition and year-end have been included

13 Trade and other receivables

Current	2015 £'000	2014 £'000
Trade receivables	3,749	4,061
Less Provision for impairment of trade receivables	(16)	(16)
	3,733	4,045
Other taxes and social security	194	55
Other receivables	827	1,331
Prepayments and accrued income	2,699	1,430
	7,453	6,861

The fair value of the Group's trade receivables and other receivables is the same as its book value stated above No interest is charged on overdue receivables

At 31 January 2015, trade receivables of £2,609,000 (2014 £2,740,000) were fully performing The Group has provided fully for all receivables which are not considered recoverable

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer

At 31 January 2015, trade receivables of £1,124,000 (2014 £1,305,000) were past due but not impaired The ageing analysis of these customers is set out below There has been no change in the credit quality of these balances, they relate to customers where there is no history of default and are still considered fully recoverable

	2015 £'000	2014 £'000
Up to 3 months overdue	902	1,004
3 to 6 months overdue	67	145
6 to 12 months overdue	135	46
> 12 months overdue	20	110
	1,124	1,305

As of 31 January 2015, trade receivables of £16,000 were impaired (2014 £16,000) and provided for The provision relates to a number of small receivables

The ageing of these receivables is as follows

	2015 £'000	2014 £'000
3 to 6 months overdue	16	10
6 to 12 months overdue	-	6
> 12 months	-	-
	16	16

Movements on the Group provision for impairment of trade receivables are as follows

	2015 £'000	2014 £'000
At 1 February	16	24
Movement	-	(8)
At 31 January	16	16

The creation and release of provision for impaired receivables have been included in administrative expenses in the statement of comprehensive income

The other classes within trade and other receivables do not contain impaired assets and the Group expect to recover these in full There are no financial assets whose terms have been renegotiated that would otherwise be past due or impaired

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable noted above The Group does not hold any collateral as security

14 Cash and cash equivalents

	2015	2014
	£'000	£'000
Cash at bank and in hand	8,196	11,106
Financial assets – restricted access account	54	59
	8,250	11,165

The fair value of the Group's cash and cash equivalents is the same as its book value stated above

15 Assets classified as held for sale

In January 2015, the board resolved to dispose of the freehold building it owns in Belgium (part of the Geospatial segment) The building, which has been listed with a real estate agent, is expected to be sold within 12 months This has been classified as an asset held for sale and presented separately in the balance sheet The proceeds of disposal are expected to exceed the book value of the related assets and accordingly no impairment loss has been recognised on classification of this building as held for sale

The major classes of assets comprising the asset classified as held for sale are as follows

	Year ended 31 January 2015
	£'000
Property, plant and equipment	994
Total assets classified as held for sale	994

16 Trade and other payables

Current

	2015	2014
	£'000	£'000
Trade payables	1,892	1,193
Other taxation and social security	1,668	1,943
Other payables	550	539
Accrued liabilities	1,586	1,818
Deferred income	2,605	3,401
	8,301	8,894

The Directors consider that the book value of trade payables, taxation, other payables, accrued liabilities and deferred income approximates to their fair value at the reporting date

17 Borrowings

	2015 £'000	2014 £'000
Current		
Bank borrowings	242	52
	242	52
Non – current		
Bank borrowings	191	268
	191	268
Total borrowings	433	320

The maturity of borrowings is as follows:

	2015 Total £'000	2014 Total £'000
Within one year	242	52
Between one and two years	55	59
Between two and five years	136	209
	433	320

Bank borrowings
Bank borrowings relate to loans provided to the Star-Apic group Interest is charged at fixed rates between 2 19 and 4 86% The loans are secured upon the buildings owned by the group

The bank overdraft facility available to the Group at 31 January 2015 was £nil (2014 £nil)

Fair values
The fair value of current borrowings equals their carrying amount as the impact of discounting is not significant

Foreign currency
The carrying amounts of the Group's borrowings are denominated in euros

18 Provisions

	2015 £'000	2014 (Restated) £'000
Provision for loss-making contracts	325	574
Restructuring provision	684	-
Other termination provisions	142	92
	1,151	666
Current	1,151	666
Non-current	-	-

	Provision on long term contracts £'000	Restructuring provision £'000	Other termination provisions £'000	Total £'000
At 1 February 2014 (Restated *)	574	-	92	666
Additional provision in the year	-	684	174	858
Amounts used during the year	(184)	-	(114)	(298)
Exchange difference	(65)	-	(10)	(75)
At 31 January 2015	325	684	142	1,151

* During the course of the integration of Star-Apic (1Spatial France and Belgium), additional provisions on certain long term contracts were identified as being required at acquisition As these were identified within 12 months of the acquisition, they have been reflected as fair value adjustments at acquisition in accordance with IFRS 3, *'Business combinations'* The adjustment has been to increase goodwill and provisions by £574,000, these are expected to be utilised by January 2016

The restructuring provision represents the cost of employee terminations in 1Spatial Belgium, announced in January 2015, the related cash outflows are expected to be settled by June 2015

The other termination provisions also relate to 1Spatial Belgium employees, and are expected to be settled by November 2015

19 Deferred tax

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the current year and prior reporting periods

	Property, plant and equipment	Tax losses	Accelerated tax depreciation	Intangibles	Other temporary differences	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 February 2013	-	-	-	748	-	748
Acquired in the year (under business combination)	369	(125)	-	916	-	1,160
Deferred tax charge/(credit) for year in statement of comprehensive income	(8)	(95)	32	(2)	(37)	(110)
Retranslation foreign exchange movement	(11)	-	-	(23)	-	(34)
At 1 February 2014	**350**	**(220)**	**32**	**1,639**	**(37)**	**1,764**
Deferred tax charge/(credit) for year in statement of comprehensive income	(11)	45	(26)	27	(2)	33
Retranslation foreign exchange movement	(30)	-	-	(70)	-	(100)
At 31 January 2015	**309**	**(175)**	**6**	**1,596**	**(39)**	**(1,697)**

Deferred income tax assets are recognised against tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable benefits is probable The Group did not recognise deferred tax assets of £3,265,000 (2014 £3,294,000) in respect to losses amounting to £16,092,000 (2014 £14,417,000) that can be carried forward against future taxable income, on the grounds that their utilisation is not probable

The deferred tax balance is analysed as follows

	Deferred tax asset	Deferred tax liability	Total
	£'000	£'000	£'000
Recoverable within 12 months	26	-	26
Recoverable after 12 months	149	-	149
Settled within 12 months	-	(343)	(343)
Settled after 12 months	-	(1,529)	(1,529)
	175	**(1,872)**	**(1,697)**

20 Share capital, share premium account and own shares held

Allotted, called up and fully paid	2015 Number	2014 Number
Ordinary shares of 1p each	650,415,354	650,415,354
Deferred shares of 4p each	226,699,878	226,699,878

	Ordinary shares of 1p each	Deferred shares of 4p each
At 1 February 2014 and 31 January 2015	650,415,354	226,699,878

Rights of shares

Ordinary shares
The ordinary shares all rank pari passu, have the right to participate in dividends and other distributions made by the company, and to receive notice of, attend and vote at every general meeting of the company On liquidation, ordinary shareholders are entitled to participate in the assets available for distribution pro-rata to the amount credited as paid up on such shares (excluding any premium)

Deferred Shares
The Deferred Shares do not carry voting rights or a right to receive a dividend The holders of Deferred Shares will not have the right to receive notice of any general meeting of the Company, nor have any right to attend, speak or vote at any such meeting The Deferred Shares will also be incapable of transfer (other than to the Company) In addition, holders of Deferred Shares will only be entitled to a payment on a return of capital or on a winding up of the Company after each of the holders of Ordinary shares has received a payment of £1,000,000 in respect of each Ordinary Share Accordingly, the Deferred Shares will have no economic value No application will be made for the Deferred Shares to be admitted to trading on AIM nor to trading on any other stock or investment exchange

	Number of shares	Allotted, called up and fully paid shares	Share premium account	Own shares held
		£'000	£'000	£'000
At 1 February 2013	577,115,232	12,572	6,503	(306)
Issue of shares	300,000,000	3,000	15,000	-
Share issue costs	-	-	(895)	-
At 1 February 2014 and 31 January 2015	877,115,232	15,572	20,608	(306)

For details of the Group's share option scheme, refer to note 22

21 Accumulated losses and other reserves

	Accumulated losses	Own shares held	Equity-settled employee benefits reserve	Merger reserve	Reverse acquisition reserve	Currency translation reserve
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 February 2014	(17,084)	(306)	988	13,900	(11,584)	24
Loss for the year	(1,517)	-	-	-	-	-
Recognition of share based payments	-	-	723	-	-	-
Exchange differences arising on translation of net assets of foreign operations	-	-	-	-	-	(316)
At 31 January 2015	(18,601)	(306)	1,711	13,900	(11,584)	(292)

Equity-settled employee benefits reserve
The equity-settled employee benefits reserve arises from the requirement to reflect the fair value of share options in existence at the reporting date The equity-settled employee benefits reserve includes the fair value adjustment in respect of warrants issued in previous years For further detail on share options and warrants see note 22 and 23 respectively

Merger reserve
The merger reserve arises on the difference between the nominal value of shares issued and the premium payable to acquire shares in another company

Reverse acquisition reserve
The reverse acquisition reserve is created in accordance with IFRS 3 'Business Combinations' The reverse acquisition reserve arose during the year ended 31 January 2010 due to the elimination of certain costs in respect of the legal parent (1Spatial plc formerly Avisen Plc and Z Group Plc) and the legal subsidiary (Avisen Group Limited) Since the shareholders of Avisen Group Limited became the majority shareholders of the enlarged Group the acquisition is accounted for as though there is a continuation of the legal subsidiary's financial statements In reverse acquisition accounting, the business combination's cost is deemed to have been incurred by the legal subsidiary

Currency translation reserve
The currency translation reserve arises on the translation of foreign entity balances where the functional currency is different from the presentation currency

22 Share based payments

The total charge for the year relating to share based payment plans was £723,000 (2014 £601,000)

The EMI share option plan and Executive unapproved share option plan was introduced in 2010 Under the schemes the Board of directors of 1Spatial Plc can grant options over the shares of the Company to directors and employees Options are typically granted at a fixed price equal to the market price of the shares under option at the date of grant, although some options granted around the time of the acquisition were at a discount to the market price The contractual life of the option was 10 years Awards under the scheme are reserved for employees who are deemed to be critical to the future success of the Company The vesting period of the options typically is 3 to 4 years Exercise of an option is subject to continuing employment The differences between the two schemes are relatively minor, the main difference residing in the definition of an eligible employee Under the EMI scheme an employee must be a full time employee and a UK resident, whereas part time and non-resident employees can become members of the unapproved option scheme Options under both schemes were valued using the Black-Scholes option pricing model The fair value per option granted and the assumption used in the calculation are as follows

Grant date	19 February 2013	16 October 2013
Share price at grant	5 38p	8 62p
Exercise price	4 94p	6p
Number of option holders	23	4
Share options granted	18,825,911	18,500,000
Vesting period (years)	3	4
Expected volatility	87 4 – 88 7%	68 5 – 88 5%
Option life (years)	10	10
Expected life (years)	5 5 – 6 5	5 4 - 7
Risk free rate	1 02 – 1 32%	1 75 – 2 18%
Expected dividends expressed as a dividend yield	0%	0%
Fair value	3 89 – 4 07p	5 78 – 6 98p

The expected volatility was based on the historic volatility for the last six months of the period prior to the grant date The expected volatility of options granted was derived by taking an average of historic share price volatility over those months

A reconciliation of options over the year to 31 January 2015 is shown below

	2015 Number	2015 Weighted average exercise price	2014 Number	2014 Weighted average exercise price
Outstanding brought forward	37,772,267	5 6p	1,710,000	8 6p
Granted during the year	-	-	37,325,911	5 5p
Forfeited during the year	(607,287)	5 5p	(1,263,644)	5 5p
Outstanding carried forward	37,164,980	5 6p	37,772,267	5 6p
Exercisable as at 31 January 2014	8,134,784	6 2p	750,000	12 5p

The weighted average remaining contractual life of share options outstanding at the end of the year was 8 3 years (2014 9 3 years) The exercise prices of the outstanding options range between 4 94p and 12 5p

23 Share warrants

A reconciliation of warrants over the year to 31 January 2015 is shown below

	2015 Number	2015 Weighted average exercise price
Outstanding brought forward and carried forward	7,307,454	5 88p

24 Business Combinations

2015

There were no business combinations during the year to 31 January 2015

2014

On 14 June 2013 1Spatial plc acquired 90% of the issued share capital of Star-Apic (now renamed 1Spatial France and Belgium), the leading European provider of Geographic Information Systems software and solutions, for £5,092,000

During the course of the integration of Star-Apic (1Spatial France and Belgium), additional provisions on certain long term contracts were identified as being required at acquisition As these were identified within 12 months of the acquisition, they have been reflected as fair value adjustments at acquisition in accordance with IFRS 3, *'Business combinations'* The adjustment has been to increase goodwill and provisions by £574,000 The revised balance of goodwill is £3,478,000 (note 10)

The following table summarises the consideration paid for Star-Apic group, the final revised fair value of assets acquired, liabilities assumed and the non-controlling interest at the acquisition date

	£'000
Value of cash consideration	5,092
Total purchase consideration	5,092

Assets and liabilities recognised at the date of acquisition

	£'000
Intangible assets	
- Software	1,071
- Customer relationships	1,644
Property, plant and equipment	1,238
Cash and cash equivalents	1,350
Trade and other receivables	2,886
Deferred tax assets	125
Trade and other payables	(4,033)
Deferred tax liabilities	(1,285)
Borrowings	(423)
Provisions	(574)
Total identifiable net assets	1,999
Non-controlling interest	(385)
Goodwill	3,478
Total consideration – satisfied in cash	5,092

Costs relating to the acquisition of £506,000 have been excluded from the consideration stated above and have been recognised as a charge to the Statement of comprehensive income within administrative expenses

The fair value of trade and other receivables is £2,886,000 and includes trade receivables of £2,053,000 which is expected to be fully collectable

The acquired business contributed revenues of £4,749,000 and a net profit of £10,000 to the group for the period since acquisition to 31 January 2014 If the acquisition had occurred on 1 February 2013, consolidated revenue and consolidated loss for the year ended 31 January 2014 would have been £20,114,000 and £2,238,000 respectively

On 16 January 2014, the remaining 10% of the issued share capital of Star-Apic was acquired by the group for cash consideration of £575,000 The difference between the consideration paid and reduction in non-controlling interest of £207,000 has been adjusted against retained earnings, attributable to owners of the company

Net cash outflow on acquisition of subsidiaries for the year to January 2014

	£'000
Acquisition of Star-Apic·	
Cash consideration	5,092
Less cash and cash equivalent balances acquired	(1,350)
Acquisition of 1Spatial Australia.	
Deferred cash consideration	133
Total purchase consideration	3,875

25 (Loss)/Earnings per ordinary share

Basic loss per share is calculated by dividing the (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year

	2015 £'000	2014 Restated £'000
Loss attributable to equity holders	(1,517)	(2,227)
Adjustments		
Loss for the year attributable to non-controlling interest	-	(17)
Income tax credit	(5)	(10)
Net finance cost	56	29
Depreciation	267	277
Amortisation and impairment of intangible assets	1,183	627
Share based payment charge	723	601
Integration, strategic and one off costs	2,345	1,787
Adjusted EBITDA	3,052	1,067

	2015 Pence	2014 Restated Pence
Basic (loss) per share	(0 23)	(0 41)
Diluted (loss) per share	(0 23)	(0 41)
Adjusted basic earnings per share	0 47	0 20
Adjusted diluted earnings per share	0 45	0 19

The prior year information has been restated so that depreciation is included in the adjustments to the loss attributable to equity holders, so that the adjusted basic and diluted earnings per share are based on Adjusted EBITDA

	2015 Number 000s	2014 Number 000s
Basic weighted average number of ordinary shares	650,415	541,922
Impact of share options and warrants	22,970	29,128
Diluted weighted average number of ordinary shares	673,385	571,050

Where there is a loss per share, the share options and share warrants are not dilutive and hence the diluted earnings per share is the same as the basic

26 Commitments

Operating lease commitments

The future aggregated minimum lease payments under non-cancellable operating leases are as follows

	2015 £'000	2014 £'000
No later than one year	602	376
Later than one year but no later than five years	1,851	1,857
Later than 5 years	551	921
	3,004	3,154

Operating lease payments represent rentals payable by the group for certain of its office properties and leased vehicles Operating lease agreements are renewable at the end of the lease period at market rates

27 Related-party transactions

(a) Key management compensation
The only key management personnel of the Group are the Directors Details of the compensation of the key management personnel are disclosed in note 6(c) to the financial statements

(b) Controlling party
There is no one party which controls the Group

(c) Company and subsidiary
Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed

There were transactions with associated undertakings during the year relating to services provided under commercial terms relating of £396,000 (2014 Nil) The balance outstanding at the end of the year was £79,200

(d) Transactions arising from purchases of services
The transaction with a related party of £207,000 excluding VAT (2014 £nil) during the year relates to the purchase of a licence with support and maintenance, under normal commercial terms, from a company, Enables IT, where one of the 1Spatial plc non-executive directors is a member of the board The balance outstanding in respect of this transaction at the end of the year was £248,000 (2014 £nil)

In addition fees are paid to related parties in respect of the non-executive directors' services, for which details are disclosed in note 6(c) to the financial statements The amounts owed to these related parties at the reporting date are shown below

	2015 £'000	2014 £'000
Related party 1	2	2
Related party 2	-	-
Related party 3	6	2
	8	4

28 Principal subsidiaries and associates of the Group as at 31 January 2015

	Description and proportion of share capital held by 1Spatial plc	Description and proportion of share capital held by Group	Country of incorporation or registration	Nature of business
Avisen Group Limited	Ordinary 100%	-	England & Wales	IT Consultancy
Avisen UK Limited	-	Ordinary 100%	England & Wales	IT Consultancy
Solution Minds Limited	-	Ordinary 100%	England & Wales	Dormant
Strategy GPS Limited	Ordinary 100%	-	England & Wales	Holding company
Xploite plc	Ordinary 100%	-	England & Wales	Holding company
Storage Fusion Limited	-	Ordinary 100%	England & Wales	IT Business Service Assurance Solutions
1Spatial Holdings Limited	Ordinary 100%	-	England & Wales	Holding company
1Spatial Group Limited	-	Ordinary 100%	England & Wales	Location based software development and consultancy
1Spatial Technologies Limited	-	Ordinary 100%	England & Wales	
Socium Limited	-	Ordinary 100%	England & Wales	
1Spatial Australia Pty Limited	-	Ordinary 100%	Australia	
Aon Spásuil Limited	-	Ordinary 100%	Ireland	
1Spatial Belgium SA	Ordinary 100%	-	Belgium	Location based software development and consultancy
1Spatial France SAS	-	Ordinary 100%	France	
Sitemap Limited	Ordinary 49%	-	England & Wales	Location based software

1Spatial plc has guaranteed the liabilities of the following subsidiaries in order that they qualify for the exemption from audit under Section 479C of the Companies Act 2006 in respect of the year ended 31 January 2015 Avisen Group Limited, Avisen UK Limited, Storage Fusion Limited, Strategy GPS Limited, Socium Limited, 1Spatial Holdings Limited, Star-Apic UK Limited and 1Spatial Technologies Limited

29 Post balance sheet events

On 3 February 2015, 1Spatial Holdings Limited (a wholly owned subsidiary of 1Spatial plc) entered into a share purchase agreement to acquire 47 per cent of the issued share capital of Laser Scan Inc ("LSI"), the USA-based provider of spatial data solutions, for cash consideration of US$2 25m

LSI is the sole distributor of 1Spatial geospatial products and solutions across the Americas, which includes significant contracts with the US Census In the year to 31 December 2013, LSI achieved net profit of US$0 9m on reported revenues of US$3 4m The Transaction provides 1Spatial with long term security of its Americas distribution channel and ensures continuity of service to key customers

Under the terms of the agreement, 1Spatial Holdings has a call option to acquire the remaining 53 per cent of LSI in two tranches, on 1 February 2016 and 2017, for total deferred consideration of US$2 55 million, payable in cash or satisfied by the issue of new ordinary shares in 1Spatial If the Call Option is not exercised, the sole vendor of LSI has the right to buy-back the Holding for US$1 125m, being equivalent to 50 per cent of the initial consideration payable pursuant to the Transaction

On 7 May 2015 1Spatial plc issued 32,000,000 new ordinary shares ("Subscription Shares") in the capital of the Company at a price of 6p per share, raising total gross proceeds of £1 92m for the Company

Independent auditors' report to the members of 1Spatial plc

Report on the parent company financial statements

Our opinion

In our opinion, 1Spatial plc's parent company financial statements ("the financial statements")

- give a true and fair view of the state of the parent company's affairs as at 31 January 2015 and of its cash flows for the year then ended,
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006, and
- have been prepared in accordance with the requirements of the Companies Act 2006

What we have audited

1Spatial plc's financial statements comprise

- the Company statement of financial position as at 31 January 2015,
- the Company statement of cash flows for the year then ended,
- the Company statement of changes in equity for the year then ended, and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates In making such estimates, they have made assumptions and considered future events

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion

- we have not received all the information and explanations we require for our audit, or
- 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 financial statements are not in agreement with the accounting records and returns

We have no exceptions to report arising from this responsibility

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made We have no exceptions to report arising from this responsibility

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement in respect of the annual report and the financial statements, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)") Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland) An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of

- whether the accounting policies are appropriate to the parent company's circumstances and have been consistently applied and adequately disclosed,
- the reasonableness of significant accounting estimates made by the directors, and
- the overall presentation of the financial statements

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Other matter

We have reported separately on the group financial statements of 1Spatial plc for the year ended 31 January 2015

Miles Saunders (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading
15 May 2015

1Spatial plc
Company statement of financial position
As at 31 January 2015

Registered number 5429800

	Note	2015 £'000	2014 £'000
Assets			
Non-current assets			
Goodwill	4	-	-
Other intangible assets	4	7	7
Property, plant and equipment	5	74	64
Investments	6	12,412	11,793
Total non-current assets		12,493	11,864
Current assets			
Trade and other receivables	7	6,629	3,573
Cash and cash equivalents	8	3,547	8,228
Total current assets		10,176	11,801
Liabilities			
Current liabilities			
Trade and other payables	9	4,430	4,201
		4,430	4,201
Net assets		18,239	19,464
Shareholders' equity			
Share capital	11	15,572	15,572
Share premium account	11	20,608	20,608
Own shares held	11	(306)	(306)
Share based payments reserve		2,350	1,627
Merger reserve		13,900	13,900
Currency translation reserve		(125)	-
Accumulated losses		(33,760)	(31,735)
Total equity		18,239	19,464

The financial statements on pages 78 to 91 were approved and authorised for issue by the Board on 15th May 2015 and signed on its behalf by

C Milverton
Director

1Spatial plc
Company statement of changes in equity
Year ended 31 January 2015

£'000	Share Capital	Share Premium Account	Own shares held	Share Based Payments Reserve	Merger Reserve	Accumulated losses	Currency Translation Reserve	Total Equity
Balance at 1 February 2014	15,572	20,608	(306)	1,627	13,900	(31,937)	-	19,464
Comprehensive loss								
Loss for the year	-	-	-	-	-	(1,823)	-	(1,823)
Other comprehensive loss								
Exchange differences	-	-	-	-	-	-	(125)	(125)
Total comprehensive loss	-	-	-	-	-	(1,823)	(125)	(1,948)
Transactions with owners								
Recognition of share based payments	-	-	-	723	-	-	-	723
Balance at 31 January 2015	15,572	20,608	(306)	2,350	13,900	(33,760)	(125)	18,239

£'000	Share Capital	Share Premium Account	Own shares held	Share Based Payments Reserve	Merger Reserve	Accumulated losses	Currency Translation Reserve	Total Equity
Balance at 1 February 2013	12,572	6,503	(306)	1,026	13,900	(30,007)	-	3,688
Comprehensive loss								
Loss for the year and total comprehensive loss	-	-	-	-	-	(1,930)	-	(1,930)
Total comprehensive loss	-	-	-	-	-	(1,930)	-	(1,930)
Recognition of share based payments	-	-	-	601	-	-	-	601
Transactions with owners								
Shares issued in the year (note 11)	3,000	15,000	-	-	-	-	-	18,000
Share issue costs	-	(895)						(895)
	3,000	14,105	-	-	-	-	-	17,105
Balance at 31 January 2014	15,572	20,608	(306)	1,627	13,900	(31,937)	-	19,464

1Spatial plc
Company statement of cash flows
Year ended 31 January 2015

	Note	2015 £'000	2014 £'000
Cash flows from operating activities			
Cash used in operations	(a)	(4,145)	(4,234)
Interest received		-	-
Net cash used in operating activities		(4,145)	(4,234)
Cash flows from investing activities			
Purchase of property, plant and equipment		(70)	(78)
Proceeds from sale of property, plant and equipment		34	-
Purchase of subsidiaries		-	(5,667)
Investment in associates		(500)	-
Net cash used in investing activities		(536)	(5,745)
Cash flows from financing activities			
Net proceeds from issue of ordinary share capital		-	17,105
Net cash generated from financing activities		-	17,105
Net (decrease)/increase in cash and cash equivalents		(4,681)	7,126
Cash and cash equivalents at start of year		8,228	1,102
Cash and cash equivalents at end of year		3,547	8,228

Company notes to the statement of cash flows

(a) Cash used in operations

	2015 £'000	2014 £'000
Loss before tax	(1,823)	(1,930)
Adjustments for		
Depreciation charge	26	21
Loss on disposal of property, plant and equipment	-	56
Share based payment charge	604	399
Net foreign exchange movement	(125)	-
(Increase)/Decrease in trade and other receivables	(3,867)	(2,618)
Increase/(Decrease) in trade and other payables	229	(163)
Amortisation and impairments	811	1
Cash used in operations	(4,145)	(4,234)

1Spatial plc

Notes to the Company financial statements for the year ended 31 January 2015

1 Summary of significant accounting policies

Basis of preparation
The Company financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU), IFRIC (International Financial Reporting Interpretations Committee) interpretations and the Companies Act 2006 applicable to companies reporting under IFRS The financial statements have been prepared on the going concern basis under the historical cost convention in accordance with the Companies Act 2006

See note 2, Adoption of new and revised International Financial Reporting Standards (IFRSs), in the notes to the consolidated financial statements for further information relating to the preparation of the financial statements

The Company has taken advantage of Section 408 of the Companies Act 2006 and has not included a Statement of Comprehensive Income in these separate financial statements The loss (2014 loss) attributable to members of the parent company for the year ended 31 January 2015 is £1,823,000 (2014 £1,930,000)

The auditor's remuneration for audit and other services is disclosed in note 6(a) to the consolidated financial statements

The principal accounting policies applied in the preparation of these financial statements are set out below These policies have been applied consistently throughout the year except where otherwise indicated

Going Concern
The Directors have formed a judgement that, at the time of approving these financial statements, there is a reasonable expectation that the Company has adequate resources and likely income to continue in operational existence for the foreseeable future and therefore adopt the going concern basis for the financial statements

Significant accounting estimates and judgements
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

The Company makes estimates and judgements concerning the future The resulting accounting estimates will, by definition, seldom equal the related actual results The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below

Carrying value of investments
The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable If any such indication of impairment exists, the Company makes an estimate of the recoverable amount If the recoverable amount of the cash-generating unit is less than the value of the investment, the investment is considered to be impaired and is written down to its recoverable amount Management have used significant estimates and judgements when putting together the budgets and projections which are used in the value in use calculations These judgements are mainly in relation to projected revenues and margins Refer to note 6 for further information

Share-based payments
The Company operates a number of equity-settled, share-based payment compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Company The fair value of the employee service received in exchange for the grant of the options is recognised as an expense The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any service and non-market performance vesting conditions (for example, profitability and sales growth targets) Non-market vesting conditions are included in assumptions about the number of options that are expected to vest

At each reporting date, the entity revises its estimates of the number of options that are expected to vest It recognises the impact of the revision to original estimates, if any, in the statement of comprehensive income, with a corresponding adjustment to equity

Where options are exercised, the Company issues new shares The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity

Interest income
Interest income is accrued on a time basis, by reference to the principal outstanding and at effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount

Goodwill
Goodwill arising on acquisitions of trade and assets is recognised at the date control is acquired Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets acquired at the date of acquisition If, after reassessment, the Company's interest in the fair value of the identifiable net assets exceeds the sum of the consideration transferred, the excess is recognised immediately in profit and loss as a bargain purchase gain Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses Any impairment is charged to the statement of comprehensive income Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold Goodwill is allocated to cash-generating units for the purpose of impairment testing

For further information in respect of impairment see the Group accounting policies on page 60 and note 10 to the consolidated financial statements

Intangible assets
Identifiable intangible assets acquired are initially recognised separately from goodwill if the asset's fair value can be measured reliably For intangible assets that have finite useful lives, amortisation is calculated so as to write off the cost of an asset less its estimated residual value over its useful economic life as follows

Software – 3 years

Intangible assets are tested annually for impairment and are carried at amortised cost less accumulated impairment losses Any impairment is charged to the statement of comprehensive income in the year it arises See note 10 to the consolidated financial statements for further information

Impairment of non-financial assets
Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation These are tested annually for impairment Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount The recoverable amount is the higher of an asset's fair value less costs to sell and value in use For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units) Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use

Depreciation is provided at rates calculated to write off the cost or valuation of property, plant and equipment, less their estimated residual value over their expected useful lives on the following basis

Motor vehicles	-	33% per annum – straight line
Computer equipment	-	20% to 33% per annum – straight line

The Directors annually review the residual value and estimated useful lives of the property, plant and equipment

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income

Fixed asset investments
Fixed asset investments in group undertakings are carried at cost less any provision for impairment The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable An impairment loss is recognised immediately in the profit and loss account

Trade and other receivables
Trade receivables are amounts due from customers for services performed in the ordinary course of business If collection is expected in one year or less they are classified as current assets If not, they are presented as non-current assets

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate The carrying amount of the asset is reduced through the provision for impairment of trade receivables, and the amount of the loss is recognised in the statement of comprehensive income within administrative expenses When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables Subsequent recoveries of amounts previously written off are credited against administrative expenses in the statement of comprehensive income

Cash and cash equivalents
Cash and cash equivalents in the statement of financial position comprise readily accessible cash at bank and in hand Bank accounts held which have an original maturity of more than three months, or which are subject to significant restrictions over access, are not presented as cash and cash equivalents Such amounts are shown separately as short term investments or other financial assets with appropriate disclosure of the related terms

Trade payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers Accounts payable are classified as current liabilities if payment is due within 12 months or less If not, they are presented as non-current liabilities

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method

Current tax
Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the reporting date Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle that carrying amount of its assets and liabilities

Foreign currency
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income in the period in which they arise

Employee Pensions
The Company operates a stakeholder pension plan for which all employees are eligible No employees have as yet joined the scheme

Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably)

Share capital

Ordinary shares are classified as equity Incremental costs directly attributable to the issue of new shares, share-options or share warrants are shown in equity as a deduction, net of tax, from the proceeds

2 Financial risk management

The Company's financial instruments comprise amounts due to/from subsidiary undertakings, cash and cash equivalents, other receivables and trade and other payables The Company's approach to the financial risks is discussed in note 3, Financial Instruments, to the consolidated financial statements

Liquidity risk
The Company's objective is to maintain a balance between continuity of funding and flexibility The Company's policy is to manage working capital in order to ensure that liquidity is maintained so as to meet peak funding requirements

Foreign currency risk
As at 31 January 2015 and 31 January 2014, there was no foreign exchange currency exposure to the Company

Borrowing facilities
The Company has an overdraft facility of £nil (2014 £nil) at the reporting date

3 Directors emoluments

Details of directors' emoluments borne by the Company are disclosed in note 6(c) of the consolidated financial statements This includes details of the highest paid director

4 Intangible assets

At 31 January 2015	Goodwill £'000	Software £'000	Total £'000
Cost			
At 1 February 2014 and 31 January 2015	120	23	143
Accumulated amortisation			
At 1 February 2014 and 31 January 2015	120	16	136
Net book amount			
At 1 February 2014 and 31 January 2015	-	7	7

At 31 January 2014	Goodwill £'000	Software £'000	Total £'000
Cost			
At 1 February 2013 and 31 January 2014	120	23	143
Accumulated amortisation			
At 1 February 2013 and 31 January 2014	120	16	136
Net book amount			
At 1 February 2013 and 31 January 2014	-	7	7

5 Property, plant and equipment

At 31 January 2015	Computer Equipment £'000	Motor Vehicles £'000	Total £'000
Cost			
At 1 February 2014	17	78	95
Additions	-	70	70
Disposals	-	(34)	(34)
At 31 January 2015	17	114	131
Accumulated depreciation			
At 1 February 2014	16	15	31
Charge for year	1	25	26
At 31 January 2015	17	40	57
Net book amount			
At 31 January 2015	-	74	74
At 31 January 2014	1	63	64

At 31 January 2014	Computer Equipment £'000	Motor Vehicles £'000	Total £'000
Cost			
At 1 February 2013	17	67	84
Additions	-	78	78
Disposals	-	(67)	(67)
At 31 January 2014	17	78	95
Accumulated depreciation			
At 1 February 2013	14	7	21
Charge for year	2	19	21
Disposals	-	(11)	(11)
At 31 January 2014	16	15	31
Net book amount			
At 31 January 2014	1	63	64
At 31 January 2013	3	60	63

6 Investments

At 31 January 2015	Total £'000
Shares in group undertakings	
Cost	
At 1 February 2014	27,507
Additions	500
Capital contribution to subsidiaries	119
At 31 January 2015	28,126
Accumulated amounts provided	
At 1 February 2014 and 31 January 2015	15,714
Net book amount	
At 31 January 2015	12,412
At 31 January 2014	11,793

At 31 January 2014	Total £'000
Shares in group undertakings	
Cost	
At 1 February 2013	21,638
Additions	5,667
Capital contribution to subsidiaries	202
At 31 January 2014	27,507
Accumulated amounts provided	
At 1 February 2013	15,713
Impairment in year	1
At 31 January 2014	15,714
Net book amount	
At 31 January 2014	11,793
At 31 January 2013	5,925

The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable

The recoverable amount of the investments held is determined from value in use calculations for each cash generating unit (CGU) covering a two year period The detailed plan put together by the management team and the Board makes judgements and assessments on revenue and gross profit expectations This is from both contracted and pipeline revenue streams It also takes account of historic success of winning new work Details of the assumptions used are provided in note 10 to the consolidated financial statements

7 Trade and other receivables

	2015 £'000	2014 £'000
Current:		
Trade receivables	34	43
Amounts owed by group undertakings	6,462	3,386
Taxation and social security	48	24
Other receivables	34	82
Prepayments and accrued income	51	38
	6,629	3,573

The fair value of trade and other receivables is consistent with their book values Amounts owed by group undertakings are unsecured, interest free and repayable on demand

8 Cash and cash equivalents

	2015 £'000	2014 £'000
Cash at bank and in hand	3,547	8,228

9 Trade and other payables

	2015 £'000	2014 £'000
Current:		
Trade payables	264	81
Amounts owed to group undertakings	3,301	3,118
Taxation and social security	22	22
Other payables	13	24
Accrued liabilities	830	956
	4,430	4,201

The carrying value of trade and other payables is consistent with their book values It is the Company's policy to settle trade payables within normal credit terms Amounts owed to group undertakings are unsecured, interest free and repayable on demand

10 Share based payments

Disclosures in relation to the share options and warrants in issue are made in notes 22 and 23 to the consolidated financial statements

11 Share capital, share premium account and own shares held

Allotted, called up and fully paid	2015 Number	2014 Number
Ordinary shares of 1p each	650,415,354	650,415,354
Deferred shares of 4p each	226,699,878	226,699,878

	Ordinary shares of 1p each	Deferred shares of 4p each
At 1 February 2014 and 31 January 2015	650,415,354	226,699,878

Rights of shares

Ordinary shares
The ordinary shares all rank pari passu, have the right to participate in dividends and other distributions made by the company, and to receive notice of, attend and vote at every general meeting of the company On liquidation, ordinary shareholders are entitled to participate in the assets available for distribution pro-rata to the amount credited as paid up on such shares (excluding any premium)

Deferred Shares
The Deferred Shares do not carry voting rights or a right to receive a dividend The holders of Deferred Shares will not have the right to receive notice of any general meeting of the Company, nor have any right to attend, speak or vote at any such meeting The Deferred Shares will also be incapable of transfer (other than to the Company) In addition, holders of Deferred Shares will only be entitled to a payment on a return of capital or on a winding up of the Company after each of the holders of Ordinary shares has received a payment of £1,000,000 in respect of each Ordinary Share Accordingly, the Deferred Shares will have no economic value No application will be made for the Deferred Shares to be admitted to trading on AIM nor to trading on any other stock or investment exchange

	Number of shares	Allotted, called up and fully paid shares	Share premium account	Own shares held
		£'000	£'000	£'000
At 1 February 2014 and 31 January 2015	877,115,232	15,572	20,608	(306)

12 Related party disclosures

Details of remuneration of the key management personnel is contained in note 6(c) to the consolidated financial statements

The following recharges to and charges from other group entities, which are related parties, occurred in the year

	2015		2014	
	Recharges	Charges	Recharges	Charges
	£'000	£'000	£'000	£'000
Avisen UK Limited	153	(91)	123	(106)
Storage Fusion Limited	206	-	214	-
1Spatial Group Limited	1,271	(501)	365	(354)
Aon Spásúil Limited	159	-	112	-
1Spatial Australia Pty Limited	212	-	84	-
1Spatial Belgium SA	273	-	321	-
1Spatial France SAS	507	-	321	-
Related party 1	-	(27)	-	(37)
Related party 2	-	-	-	(17)
Related party 3	-	(60)	-	(25)
Related party 4	-	(30)	-	(19)
	2,781	(709)	1,540	(558)

No purchase or sales transactions were entered into between the Company and subsidiary undertakings Transactions with other related parties during the year relate to services provided by a company where one of the 1Spatial plc non-executive directors sits on the board In addition fees are paid to related parties in respect of the non-executive directors' services, for which details are disclosed in note 6(c) to the Group financial statements

The amounts owed by/(owed to) related parties before provisions are shown below

	2015	2014
	£'000	£'000
Avisen UK Limited	2,094	1,756
Strategy GPS Limited	(702)	(702)
Xploite plc	(2,600)	(2,600)
Storage Fusion Limited	2,349	2,000
1Spatial Holdings Limited	814	868
1Spatial Australia Pty Limited	40	40
1Spatial Group Limited	1,814	183
1Spatial Belgium SA	3,186	682
1Spatial France SAS	221	1,285
Related party 1	(2)	(2)
Related party 3	(6)	(2)
	7,208	3,508

13 Principal subsidiaries and associates of the Company as at 31 January 2015

	Description and proportion of share capital held by 1Spatial plc	Country of incorporation or registration	Nature of business
Avisen Group Limited	Ordinary 100%	England & Wales	IT Consultancy
Avisen UK Limited	-	England & Wales	IT Consultancy
Solution Minds Limited	-	England & Wales	Dormant
Strategy GPS Limited	Ordinary 100%	England & Wales	Holding company
Xploite plc	Ordinary 100%	England & Wales	Holding company
Storage Fusion Limited	-	England & Wales	IT Business Service Assurance Solutions
1Spatial Holdings Limited	Ordinary 100%	England & Wales	Holding company
1Spatial Group Limited	-	England & Wales	
1Spatial Technologies Limited	-	England & Wales	Location based software development and consultancy
Socium Limited	-	England & Wales	
1Spatial Australia Pty Limited	-	Australia	
Aon Spásuil Limited	-	Ireland	
1Spatial Belgium SA	Ordinary 100%	Belgium	Location based software development and consultancy
1Spatial France SAS	-	France	
Sitemap Limited	Ordinary 49%	England & Wales	Location based software

14 Post Balance Sheet Events

On 7 May 2015 1Spatial plc issued 32,000,000 new ordinary shares ("Subscription Shares") in the capital of the Company at a price of 6p per share, raising total gross proceeds of £1 92m for the Company

15 Contingent liabilities

As disclosed in Note 2 of the consolidated financial statements, Summary of significant accounting policies, the Company has taken advantage of the exemption available under Section 479C of the Companies Act 2006 in respect of the requirement for audit of certain 100% owned subsidiaries The company guarantees the liabilities of the company at the end of the year until those liabilities have been settled in full The contingent liability at the year-end was £1,304,000 (2014 £844,000)

Company information

Directors

M Hanke	Chief Executive Officer
C Milverton	Chief Financial Officer
M Sanderson	Director of Strategic Development
M Yeoman	Non-Executive
D Richards	Non-Executive Deputy Chairman

Company secretary
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Chartered Accountants and Statutory Auditors
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RG1 3JH

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