

StreetTeam Software Limited

Annual report and financial statements

for the year ended 31 December 2021

Registered number: 09750608

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StreetTeam Software Limited

Company Information

Directors	James Ellis Callum Negus-Fancey Liam Negus-Fancey
Registered number	09750608
Registered office	3 Loughborough Street London SE11 5RB
Independent auditor	Buzzacott LLP Statutory Auditor 130 Wood Street London EC2V 6DL

StreetTeam Software Limited

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StreetTeam Software Limited

Directors' report

for the year ended 31 December 2021

The directors present their annual report and the financial statements of StreetTeam Software Limited ('the company') and its subsidiaries, (together 'the group') for the year ended 31 December 2021.

Results and dividends

The loss for the year, after taxation, amounted to £51,426,000 (2020 - loss £39,344,000).

The directors did not recommend or pay dividends during the year (2020 - £nil).

Principal activity

The principal activity of the group during the year under review is running a marketplace that enables people to sell experiences & products to their network in exchange for rewards as well as curating our own brand destination experiences.

Directors

The directors who served during the year were:

Denis Blank (resigned 30 June 2022)
Andre de Haes (resigned 31 May 2022)
James Ellis
Remo Gerber (resigned 18 May 2022)
Nicola McClafferty (resigned 4 May 2022)
Callum Negus-Fancey
Liam Negus-Fancey
Par-Jorgen Parson (resigned 4 May 2022)
Leila Rastegar Zegna (resigned 18 May 2022)

Directors' statement of compliance with duty to promote the success of the Group

The Directors consider the following groups as the key stakeholders. The Board seeks to understand the respective interests of such stakeholder groups so that these may be carefully considered in the Board's decisions. We do this through various methods, including direct engagement by Board members; receiving reports and updates from members of management who engage with such groups; and by receiving feedback from these groups themselves.

Our Employees

The strength of our business is built on the dedication and hard work of our employees. We place great emphasis on our company culture and strive to create the best possible environment for our employees to perform well. The industry we are in is ever changing which requires us to adapt to frequent changes and be ahead of the curve. Recruitment and retention of employees is therefore a critical activity. We use various ways of communicating and gathering feedback from our employees. This includes:

- Providing training, coaching and career development support which we call "Mastery"
- Empowering our employees to make their own decisions if they think it will benefit the Group which we call "Freedom of Ownership"
- Encouraging the entire management team to be visible and approachable within the business, always open to provide and receive feedback
- Every month releasing our Transparency report that has our pay transparency, information on all internal investigations run, our quarterly People Survey results, information on our board members and our diversity statistics.

StreetTeam Software Limited

Directors' report (continued)

for the year ended 31 December 2021

Directors' statement of compliance with duty to promote the success of the Group (continued)

The Board takes active steps to ensure the suggestions, views and interests of the workforce are captured and considered in our decision making. Our colleagues rely on us to provide stable employment and opportunities that will enable them to realize their full potential.

Our Shareholders

The sustainability of our business on a long-term basis depends on the continuous support of our shareholders. We rely on them as an essential source of capital to further our business objectives. They in turn rely on us to manage and protect their investments in a responsible way that generates value and return on their investment.

Our Suppliers

We rely on our suppliers not only as a source of supply but also as business partners. We have built and maintain a reputation for transparency and fair dealing in our interaction with them. They rely on us to generate revenue and growth in their business.

Our Customers

Our customers are the reason we exist. It is therefore essential that we are consistently delivering best experiences for them which they cannot get elsewhere.

The Board considers the interests of our customers in all key decisions.

Our customers rely on, and value the high degree of expertise in being able to deliver the best experiences for them across the globe. Our technology allows us to get crucial information on our customer needs and helps us develop our relationships with our existing customers and attract new ones.

Government, Regulators, and our Communities

We seek to enjoy a constructive and cooperative relationship with the authorities. Directors are responsible for maintaining a robust governance framework.

Communities and the wider public expect us to act as a responsible company and to minimize any adverse impact we may have on local communities.

StreetTeam Software Limited

Directors' report (continued)

for the year ended 31 December 2021

Greenhouse gas emissions, energy consumption and energy efficiency action

The group's UK GHG (Greenhouse Gas) emissions and energy consumption data for the year ended 31 December 2021 are as follows:

	Annual Energy Consumption 2021 kWh	Annual Greenhouse Gas Emissions 2021 Tonnes CO ₂ e	Annual Energy Consumption 2020 kWh	Annual Greenhouse Gas Emissions 2020 Tonnes CO ₂ e
Scope 1: Emissions from combustion of gas	182.03	0.03	4,607.22	0.85
Scope 2: Emissions from purchased electricity	133,285.25	28.30	64,091.05	14.94
	<u>133,467.28</u>	<u>28.33</u>	<u>68,698.27</u>	<u>15.79</u>

The preparation of the Streamlined Energy and Carbon Reporting (SECR) was developed using the methodology provided in The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (Revised Edition) & use of relevant UK Government GHG Conversion Factors for Company Reporting for 2021.

*Intensity ratios***2021**

tonnes CO₂e per square meter floor space: 28.33 tonnes CO₂e/1,600 square metres.

0.0177 tonnes CO₂e per square metre floor space.

2020

tonnes CO₂e per square meter floor space: 15.79 tonnes CO₂e/1,600 square metres.

0.0099 tonnes CO₂e per square metre floor space.

Energy efficiency actions

StreetTeam Software Limited has implemented and maintains an effective management control system covering its electricity and gas consumption through its metering, internal management, and financial controls.

We benefit from the available energy and carbon management advice from our energy supplier and from other relevant sources.

Our office has utilized modern lighting and temperature control systems to ensure that we can benefit from the most energy efficient solution.

In the year ahead, we will continue to monitor developments of equipment for viable options that will enable us to enhance our energy efficiency.

Our Energy and Carbon Reporting will continue into the next year to gain further insight into our baseline energy consumption with an opportunity to reduce our electricity usage and carbon footprint in-line with contributing to the UK Government's target to bring all greenhouse gas emissions to net zero by 2050.

StreetTeam Software Limited

Directors' report (continued)
for the year ended 31 December 2021**Post balance sheet events****Issue of new shares**

In the period since 31 December 2021, the company has completed its series C funding round, raising an additional £0.9m, received in cash from new and existing shareholders.

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding that the group has reported a loss before tax of £57.4m in the year ended 31 December 2021. As at 31 December 2021 the group had net current liabilities of £38.5m and net liabilities of £8.6m. The group continues to meet its day to day working capital requirements from a combination of cash generated from the business, and through the utilisation of a combination of loan facilities and shareholder investment.

The directors have prepared detailed base and sensitised cash flow information for the period ending 31 December 2023 which incorporates the directors' current view of the trading and economic risks and uncertainties reflected in the strategic report. The sensitised information represents the directors view of a plausible downside scenario. The key assumptions within both the base and sensitised cash flow information relate to:

- The number of "experiences" delivered and resulting revenues generated
- The average lifecycle of travel experiences and timing of cash receipts
- The payment profile of partner fees
- The level of margin generated by each revenue stream
- Moderate increases in operating costs by reference to revenue growth. Operating costs are held at current levels in the downside scenario.

The sensitised information includes several downside sensitivities in relation to the number of experiences delivered and the level of margin generated by each revenue stream. Accurate forecasting continues to be challenging given the uncertainty created by and the impact of the pandemic on the global economy, and on the sector in which the group operates.

Subsequent to the year end the group raised an additional £32.5m of new investment.

Based upon a review of the group's forecasts and associated cash flows for the period to 31 December 2023, trading performance in 2021 and 2022 year to date, the new investment secured in 2021, and the continued support from shareholders, the group's liquidity is sufficient to meet the group and parent company's obligations and commitments over the forecast period.

The directors have concluded that the circumstances mentioned above represent a material uncertainty which may cast significant doubt over the group and the parent company's ability to continue as a going concern. Nevertheless, after considering the uncertainties described above and the mitigating actions and further new investment that is expected to be available to the group and parent company, the directors have a reasonable expectation that the group and parent company will have adequate resources available to continue to meet their obligations as they fall due and to continue in operational existence for a period of at least 12 months from the date of these financial statements. For these reasons the directors continue to adopt the going concern basis of accounting in preparing these annual financial statements.

The group and parent company financial statements do not include any adjustments that would result if the group and parent company were unable to continue as a going concern.

StreetTeam Software Limited

Directors' report (continued)
for the year ended 31 December 2021**Matters covered in the Group strategic report**

The company has chosen, in accordance with s.414C(11) of the Companies Act 2006, to set out in the company's Strategic report information required by Schedule 7 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008, and Part 2 of The Companies (Miscellaneous Reporting) Regulations 2018 to be contained in the Directors' report. It has done so in respect of business review and key performance indicators, risk exposure and future developments.

Directors' responsibilities statement

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period.

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

- select suitable accounting policies for the group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

Disclosure of information to auditor

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

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

StreetTeam Software Limited

Directors' report (continued)
for the year ended 31 December 2021

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

James Ellis

James Ellis
Director

Date: 7/11/2022

StreetTeam Software Limited

Group strategic report

for the year ended 31 December 2021

Introduction

The directors present their strategic report of the group for the year ended 31 December 2021.

Business review

The turnover of the group increased by 76%.

The results for the group show a loss of £51.4m (2020: £39.3m).

The group's overall objective is to become the market leader of providing unforgettable experiences to people.

The group's strategy for achieving this in the long run is to invest in its product, technology and people to expand its platform membership and breadth of experience offerings. The group is also starting to execute on unique curated travel experiences that started in North America in late 2021.

Principal risks and uncertainties

The principal risks and uncertainties facing the group are considered to be:

- Liquidity risk;
- Availability of capital to fund growth; and
- Covid-19 related risks.

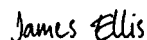
Financial key performance indicators

KPI	Actual 2021	Actual 2020
Turnover	£48.3m	£27.4m
Operating (Loss) for the year	(£53.1m)	(£39.5m)

Other key performance indicators

KPI	Actual 2021	Actual 2020
Booked Travellers	217,982	178,338
Actual Travellers	115,974	106,436

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



James Ellis
Director

Date: 7/11/2022

Buzzacott

Independent auditor's report to the members of StreetTeam Software Limited for the year ended 31 December 2021

Opinion

We have audited the financial statements of StreetTeam Software Limited ('the parent company') and its subsidiaries ('the group') for the year ended 31 December 2021, which comprise the consolidated statement of comprehensive income, the consolidated and company statements of financial position, the consolidated statement of cash flows, the consolidated and company statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2021 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw your attention to the significant judgement made by the directors in relation to valuation of share options and the resultant nil charge for share-based payments as described in notes 3 and 22.

Material uncertainty related to going concern

We draw attention to note 2.3 in the financial statements, which indicates that the group and parent company forecasts include several key assumptions relating to the level of operating revenues and therefore cash flows that will be generated in the forecast period and that the group and company remain reliant on the continued support of the group's shareholders. As stated in note 2.3, these events or conditions, along with the other matters as set forth in note 2.3, indicate that a material uncertainty exists that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Buzzacott

Independent auditor's report to the members of StreetTeam Software Limited (continued)

for the year ended 31 December 2021

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Buzzacott

Independent auditor's report to the members of StreetTeam Software Limited (continued)

for the year ended 31 December 2021

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

How the audit was considered capable of detecting irregularities including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations, including knowledge specific to auditing international events management and marketing businesses;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the group and the company through discussions with directors and other management at the planning stage, and from our knowledge and experience of events based groups, both in organising the experiences and generating commission based income;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations;
- we considered the impact of COVID-19 on the group and the company and its internal controls;
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and the company including the Companies Act 2006, copyright laws and taxation legislation.

Buzzacott

Independent auditor's report to the members of StreetTeam Software Limited (continued)

for the year ended 31 December 2021

Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- inspecting legal correspondence throughout the year for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- determined the susceptibility of the group and company to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process, taking into account the impact of COVID-19 on controls during the year;
- reviewed journal entries throughout the year to identify unusual transactions;
- performed analytical procedures to identify any large, unusual or unexpected transactions and investigated any large variances from the prior period;
- reviewed accounting estimates and evaluated where judgements or decisions made by management indicated bias on the part of the group and company's management; and
- carried out substantive testing to check the occurrence and cut-off of expenditure.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing the group and company's revenue policies and a sample of contracts and customer agreements to ensure revenue is not materially misstated;
- enquiring of management of the reasons for any impairment of intangible assets and goodwill, reviewing and challenging these to ensure the treatment is appropriate;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing R&D tax claims and correspondence with HMRC for indication of any potential disputes.

There are inherent limitations in our audit procedures described above. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error as they may involve deliberate concealment or collusion. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

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


Buzzacott

Independent auditor's report to the members of StreetTeam Software Limited (continued)

for the year ended 31 December 2021

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Handwritten signature of Philip Westerman in black ink, followed by the text "LLP".

Philip Westerman (Senior statutory auditor)
for and on behalf of
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL
Date: 11 July 2022

StreetTeam Software Limited

Consolidated statement of comprehensive income

for the year ended 31 December 2021

	Note	2021 £000	2020 £000
Turnover	4	48,315	27,379
Operating costs		(104,472)	(59,938)
Exceptional administrative expenses	13	(17)	(9,518)
Other operating income	5	3,048	2,566
Operating loss	6	(53,126)	(39,511)
Interest receivable and similar income	10	1	4
Interest payable and similar expenses	11	(4,248)	(3,164)
Loss before taxation		(57,373)	(42,671)
Tax on loss	12	5,947	3,327
Loss for the financial year		(51,426)	(39,344)
(Loss) for the year attributable to:			
Non-controlling interests		-	-
Owners of the parent company		(51,426)	(39,344)
		(51,426)	(39,344)

The notes on pages 20 to 46 form part of these financial statements.

All amounts relate to continuing operations.

StreetTeam Software Limited - Registered number: 09750608

Consolidated statement of financial position

as at 31 December 2021

	Note	2021 £000	2020 £000
Fixed assets			
Intangible assets	14	29,538	12,726
Tangible assets	15	367	540
Investments	16	14	18
		<u>29,919</u>	<u>13,284</u>
Current assets			
Debtors: amounts falling due within one year	17	31,388	13,117
Cash at bank and in hand	18	13,735	4,209
		<u>45,123</u>	<u>17,326</u>
Creditors: amounts falling due within one year	19	(83,599)	(37,587)
Net current liabilities		<u>(38,476)</u>	<u>(20,261)</u>
Total assets less current liabilities		<u>(8,557)</u>	<u>(6,977)</u>
Creditors: amounts falling due after more than one year	20	-	(17,664)
Net liabilities		<u>(8,557)</u>	<u>(24,641)</u>
Capital and reserves			
Called up share capital	22	2	2
Share premium account	23	157,334	87,922
Other reserves	23	-	950
Foreign exchange reserve	23	1,795	3,113
Profit and loss account	23	(168,054)	(116,628)
Non-controlling interests		366	-
		<u>(8,557)</u>	<u>(24,641)</u>

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

James Ellis

James Ellis
 Director
 Date: 7/11/2022

The notes on pages 20 to 46 form part of these financial statements.

StreetTeam Software Limited - Registered number: 09750608

Company statement of financial position

as at 31 December 2021

	Note	2021 £000	As restated 2020 £000
Fixed assets			
Intangible assets	14	27,710	11,394
Tangible assets	15	130	183
Investments	16	1,286	1,301
		29,126	12,878
Current assets			
Debtors: amounts falling due within one year	17	86,186	50,529
Cash at bank and in hand	18	9,168	58
		95,354	50,587
Creditors: amounts falling due within one year	19	(23,935)	(9,433)
Net current assets		71,419	41,154
Total assets less current liabilities		100,545	54,032
Creditors: amounts falling due after more than one year	20	-	(17,664)
Net assets		100,545	36,368
Capital and reserves			
Called up share capital	22	2	2
Share premium account	23	157,334	87,922
Other reserves	23	-	950
Profit and loss account brought forward		(52,506)	(44,300)
Loss for the year		(4,285)	(8,206)
Profit and loss account carried forward		(56,791)	(52,506)
		100,545	36,368

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

James Ellis *James Ellis*
 Director
 Date: 7/11/2022

The notes on pages 20 to 46 form part of these financial statements.

StreetTeam Software Limited

Consolidated statement of changes in equity
 for the year ended 31 December 2021

	Called up share capital £000	Share premium account £000	Other reserves £000	Foreign exchange reserve £000	Profit and loss account £000	Non- controlling interests £000	Total equity £000
At 1 January 2020	1	65,349	-	364	(77,284)	-	(11,570)
Loss for the year	-	-	-	-	(39,344)	-	(39,344)
Shares issued during the year	1	22,573	-	-	-	-	22,574
Convertible loans during the year and foreign exchange gains and losses	-	-	950	2,749	-	-	3,699
At 1 January 2021	2	87,922	950	3,113	(116,628)	-	(24,641)
Loss for the year	-	-	-	-	(51,426)	-	(51,426)
NCI on acquisition	-	-	-	-	-	366	366
Shares issued during the year	-	69,412	-	-	-	-	69,412
Settlement of convertible loans issued during the year and foreign exchange gains and losses	-	-	(950)	(1,318)	-	-	(2,268)
At 31 December 2021	2	157,334	-	1,795	(168,054)	366	(8,557)

The notes on pages 20 to 46 form part of these financial statements.

StreetTeam Software Limited

Company statement of changes in equity
 for the year ended 31 December 2021

	Called up share capital £000	Share premium account £000	Other reserves £000	Profit and loss account £000	Total equity £000
At 1 January 2020	1	65,349	-	(44,300)	21,050
Loss for the year	-	-	-	(8,206)	(8,206)
Shares issued during the year	1	22,573	-	-	22,574
Convertible loans issued during the year	-	-	950	-	950
At 1 January 2021	2	87,922	950	(52,506)	36,368
Loss for the year	-	-	-	(4,285)	(4,285)
Shares issued during the year	-	69,412	-	-	69,412
Settlement of convertible loans	-	-	(950)	-	(950)
At 31 December 2021	2	157,334	-	(56,791)	100,545

The notes on pages 20 to 46 form part of these financial statements.

StreetTeam Software Limited

Consolidated statement of cash flows

for the year ended 31 December 2021

	2021 £000	2020 £000
Cash flows from operating activities		
Loss for the financial year	(51,426)	(39,344)
Adjustments for:		
Amortisation & impairment of intangible assets	1,516	11,117
Depreciation of tangible assets	128	142
Loss on disposal of tangible assets	51	14
Interest expense	4,248	3,164
Interest income	(1)	(4)
Taxation credit	(5,947)	(3,327)
(Increase)/decrease in debtors	(14,324)	2,974
Increase/(decrease) in creditors	35,678	(2,625)
Non-controlling interest	366	-
Foreign exchange movement	(1,318)	2,749
Corporation tax received	2,000	1,158
Investment impairment	15	28
Net cash generated from operating activities	(29,014)	(23,954)
Cash flows from investing activities		
Purchase of intangible fixed assets	(18,328)	(11,201)
Purchase of tangible fixed assets	(6)	(111)
Purchase of fixed asset investments	(11)	(18)
Interest received	1	1
Net cash from investing activities	(18,344)	(11,329)
Cash flows from financing activities		
Issue of ordinary shares	69,412	7,186
Repayment of loans	(8,280)	-
New loans	-	27,177
Interest paid	(4,248)	(501)
Net cash used in financing activities	56,884	33,862
Net increase/(decrease) in cash and cash equivalents	9,526	(1,421)
Cash and cash equivalents at beginning of year	4,209	5,630
Cash and cash equivalents at the end of year	13,735	4,209
Cash and cash equivalents at the end of year comprise:		

StreetTeam Software Limited

Consolidated statement of cash flows (continued)
for the year ended 31 December 2021

	2021	2020
	£000	£000
Cash at bank and in hand	13,735	4,209
	13,735	4,209

The notes on pages 20 to 46 form part of these financial statements.

Notes to the financial statements

for the year ended 31 December 2021

1. General information

StreetTeam Software Limited is a private company limited by shares, incorporated in England and Wales. The registered office of the company and its principal place of business is 3 Loughborough Street, London, SE11 5RB. The company registration number is 09750608.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

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

The parent company financial statements for 2020 have been restated to recognise investments in subsidiaries within investments and not in goodwill as previously presented. This has had no impact on previously reported net assets or profit and loss account. See note 24 for details.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Notes to the financial statements

for the year ended 31 December 2021

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on a going concern basis, notwithstanding that the group has reported a loss before tax of £57.4m in the year ended 31 December 2021. As at 31 December 2021 the group had net current liabilities of £38.5m and net liabilities of £8.6m. The group continues to meet its day to day working capital requirements from a combination of cash generated from the business, and through the utilisation of a combination of loan facilities and shareholder investment.

The directors have prepared detailed base and sensitised cash flow information for the period ending 31 December 2023 which incorporates the directors' current view of the trading and economic risks and uncertainties reflected in the strategic report. The sensitised information represents the directors view of a plausible downside scenario. The key assumptions within both the base and sensitised cash flow information relate to:

- The number of "experiences" delivered and resulting revenues generated
- The average lifecycle of travel experiences and timing of cash receipts
- The payment profile of partner fees
- The level of margin generated by each revenue stream
- Moderate increases in operating costs by reference to revenue growth. Operating costs are held at current levels in the downside scenario.

The sensitised information includes several downside sensitivities in relation to the number of experiences delivered and the level of margin generated by each revenue stream. Accurate forecasting continues to be challenging given the uncertainty created by and the impact of the pandemic on the global economy, and on the sector in which the group operates.

Subsequent to the year end the group raised an additional £32.5m of new investment.

Based upon a review of the group's forecasts and associated cash flows for the period to 31 December 2023, trading performance in 2021 and 2022 year to date, the new investment secured in December 2021, and the continued support from shareholders, the group's liquidity is sufficient to meet the group and parent company's obligations and commitments over the forecast period.

The directors have concluded that the circumstances mentioned above represent a material uncertainty which may cast significant doubt over the group and the parent company's ability to continue as a going concern. Nevertheless, after considering the uncertainties described above and the mitigating actions and further new investment that is expected to be available to the group and parent company, the directors have a reasonable expectation that the group and parent company will have adequate resources available to continue to meet their obligations as they fall due and to continue in operational existence for a period of at least 12 months from the date of these financial statements. For these reasons the directors continue to adopt the going concern basis of accounting in preparing these annual financial statements.

The group and parent company financial statements do not include any adjustments that would result if the group and parent company were unable to continue as a going concern.

Notes to the financial statements

for the year ended 31 December 2021

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP. Group subsidiaries registered in the United States of America, Mexico, Spain and Canada have functional currency of USD, MXN, EUR and CAD respectively due to operating in these areas. See note 16 for details of where group subsidiaries are registered.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

Notes to the financial statements

for the year ended 31 December 2021

2. Accounting policies (continued)

2.5 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the group has transferred the significant risks and rewards of ownership to the buyer;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.6 Operating leases: the group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

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

2.7 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

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

Notes to the financial statements

for the year ended 31 December 2021

2. Accounting policies (continued)

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the consolidated statement of comprehensive income in the same period as the related expenditure.

2.9 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.12 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the group in independently administered funds.

Notes to the financial statements

for the year ended 31 December 2021

2. Accounting policies (continued)

2.13 Current and deferred taxation

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

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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

2.14 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the group but are presented separately due to their size or incidence.

2.15 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the consolidated statement of comprehensive income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Notes to the financial statements

for the year ended 31 December 2021

2. Accounting policies (continued)

2.16 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	-	20%	straight line
Motor vehicles	-	20%	straight line
Fixtures and fittings	-	20%	straight line
Office equipment	-	20%	straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.17 Valuation of investments

Investments are measured at cost less accumulated impairment.

2.18 Associates and joint ventures

An entity is treated as a joint venture where the group is a party to a contractual agreement with one or more parties from outside the group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The consolidated statement of comprehensive income includes the group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the group. In the consolidated statement of financial position, the interests in associated undertakings are shown as the group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.19 Debtors

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

Notes to the financial statements

for the year ended 31 December 2021

2. Accounting policies (continued)

2.20 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

2.21 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.22 Provisions for liabilities

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

Provisions are charged as an expense to profit or loss in the year that the group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position.

2.23 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the consolidated statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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

Notes to the financial statements

for the year ended 31 December 2021

2. Accounting policies (continued)

2.23 Financial instruments (continued)

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

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

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.24 Convertible debt

The proceeds received on issue of the group's convertible debt are allocated into their liability and equity components and presented separately in the reporting date.

The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that did not include an option to convert.

The difference between the net proceeds of the convertible debt and the amount allocated to the debt component is credited direct to equity and is not subsequently remeasured. On conversion, the debt and equity elements are credited to share capital and share premium as appropriate.

Transaction costs that relate to the issue of the instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

2.25 Share based payments

Share based payments have been accounted for in accordance with the requirements of FRS 102.

Notes to the financial statements

for the year ended 31 December 2021

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the company and the group to make estimates and judgements that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosures of any contingent assets and liabilities at the date of the financial statements. The company and group evaluates these estimates and judgements on an ongoing basis and bases its estimates on historical experience, current conditions and various other assumptions that are believed to be reasonable under the circumstances. The results of these estimates form the basis for making judgements about the carrying values of assets and liabilities, as well as for identifying and assessing the accounting treatment with respect to any commitments and contingencies. Actual results may materially differ from those estimates under different assumptions or conditions.

The judgements applied and key sources of estimation uncertainty are as follows:

Recoverability of research and development tax credits. The directors have applied judgement in assessing the recoverability of research and development tax credits at 31 December 2021, and also therefore in determining the extent of tax credit to recognise in the profit and loss account. This is based on the directors assessment of the nature and validity of the claim, as well as historic track record in successful claims receipts from HMRC.

Carrying value of intangible assets and goodwill. The directors have considered the future net operating cash flows that will be generated from the intangible assets and the business units to which the goodwill is attached. They have determined that amounts reflected in carrying value at 31 December 2021 represent assets that will be fully recovered from future cash flows. An appropriate level of discounting and sensitivity analysis has been performed in making this assessment, and adequate adjustments have been made for uncertainties that exist in the forecast period. The directors therefore consider that the level of impairment recognised in year ended 31 December 2021 is adequate.

Income recognition and recoverability of trade debtors. The directors have applied their historic knowledge in determining the level of bad debt provisions required. They have also taken into account the expected level of refunds to be given due to the impact of the Covid 19 pandemic and other trading challenges.

Recoverability of amounts due from group undertakings (parent company only). The parent company is owed £75.4m from subsidiary undertakings at 31 December 2021. The directors have applied significant judgement in determining that these are fully recoverable and that no provision for impairment is needed. This judgement has been made by reference to the forecast future trading profits and cash flows that the subsidiaries will generate. There are uncertainties relating to these cash flows, and therefore also to the ability of the parent company to recover amounts due to it from subsidiaries.

Going concern. The directors have applied judgement in forming their assessment that the group and parent company are a going concern. Details of the key matters considered and the judgements and estimates applied are given in note 2.3.

The directors have applied significant judgement when assessing the valuation of granted share options and the potential charge to profit or loss in relation to these. Based on the current estimated valuation of the business, and the current estimated value of debt and preferred shares in issue, the directors have formed the judgement that the common shares attract minimum value, and that therefore that the share options attached to these common shares are meaningfully out of the money. As a result, the estimated share-based payment charge in the year ended 31 December 2021 is not considered to be material and no charge has been included in the financial statements.

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £000	2020 £000
Program Revenue	44,475	26,177
Music and hotel commissions	2,195	629
Brand sponsorship and other	1,645	573
	<u>48,315</u>	<u>27,379</u>

Analysis of turnover by country of destination:

	2021 £000	2020 £000
United Kingdom	4,006	538
Rest of the world	44,309	26,841
	<u>48,315</u>	<u>27,379</u>

5. Other operating income

	2021 £000	2020 £000
Other operating income	2,990	2,136
Government grants receivable	58	430
	<u>3,048</u>	<u>2,566</u>

Other operating income in 2021 relates to forgiveness of loans from the US government.

6. Operating loss

The operating loss is stated after charging:

	2021 £000	2020 £000
Operating lease charges	1,940	2,673
Exchange differences	493	2,620
Depreciation	128	142
Amortisation	1,516	1,696
	<u>4,077</u>	<u>7,131</u>

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

7. Auditor's remuneration

	2021	2020
	£000	£000
Fees payable to the group's auditor in respect of:		
Audit-related assurance services	67	58
Taxation compliance services	4	4
All other services	7	6
	78	68

8. Staff costs and average number of employees

Staff costs during the year, including director's remuneration, were as follows:

	2021	2020
	£000	£000
Wages and salaries	32,191	21,638
Social security costs	3,254	2,166
Defined contribution pension cost	523	362
	35,968	24,166

Included within Wages and Salaries are costs of £12,499,000 (2020: £8,702,000) in relation to capitalised R&D expenditure and £Nil (2020: £778,000) of staff benefits.

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

	2021	2020
	No.	No.
Finance	17	13
Leadership	8	8
Marketing	19	32
Operations	164	106
Sales	101	110
Technology	84	54
Strategy and legal	17	4
	410	327

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

9. Directors' remuneration

	2021	2020
	£000	£000
Directors' emoluments	475	400
Group contributions to defined contribution pension schemes	4	3
	479	403

During the year retirement benefits were accruing to 3 directors (2020 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £175,000 (2020 - £175,000).

10. Interest receivable

	2021	2020
	£000	£000
Other interest receivable	1	4
	1	4

11. Interest payable and similar expenses

	2021	2020
	£000	£000
Loan interest payable	4,248	3,164
	4,248	3,164

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

12. Taxation

	2021	2020
	£000	£000
Corporation tax		
Current tax on losses for the year	(5,947)	(3,327)
Total current tax	(5,947)	(3,327)
Deferred tax		
Total deferred tax	-	-
Taxation on loss on ordinary activities	(5,947)	(3,327)

Factors affecting tax credit for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021	2020
	£000	£000
Loss on ordinary activities before tax	(57,373)	(42,671)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(10,901)	(8,107)
Effects of:		
Unrecognised deferred tax assets	10,491	5,782
Amortisation and impairment	288	2,131
Disallowable expenses	600	600
Non-taxable income	(478)	(406)
R&D tax claims	(5,947)	(3,327)
Total tax credit for the year	(5,947)	(3,327)

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

12. Taxation (continued)**Factors that may affect future tax charges**

On 10 June 2021, the Finance Bill 2021 received Royal Assent. The Bill confirms an increase in the corporation tax rate from 1 April 2023. From this date, the rate will taper from 19% for businesses with profits of less than £50,000 to 25% for businesses with profits over £250,000.

The group has no liability to corporation tax for the year ended 31 December 2021 due to losses incurred. Tax credits relate to amounts receivable in relation to Research and Development tax claims for FY 2021. These are included in debtors in note 17.

The group has unrecognised deferred tax assets of £25m at 31 December 2021 (2020: £15m) relating to tax losses available for offset against future trading profits. The directors do not consider there is sufficient certainty over the timing of recoverability of these assets at 31 December 2021 to enable recognition on balance sheet.

13. Exceptional items

	2021	2020
	£000	£000
Impairment of goodwill	-	5,281
Impairment of development intangibles	17	4,237
	<u>17</u>	<u>9,518</u>

The directors consider these charges to be exceptional due to their size in the prior year and these have therefore been presented separately in the profit and loss account.

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

14. Intangible assets

Group

	Development expenditure £000	Goodwill £000	Total £000
Cost			
At 1 January 2021	13,823	1,286	15,109
Additions	17,632	696	18,328
At 31 December 2021	31,455	1,982	33,437
Amortisation			
At 1 January 2021	2,383	-	2,383
Charge for the year	1,516	-	1,516
At 31 December 2021	3,899	-	3,899
Net book value			
At 31 December 2021	27,556	1,982	29,538
At 31 December 2020	11,440	1,286	12,726

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

14. Intangible assets (continued)

Company

	Development expenditure £000
Cost	
At 1 January 2021	13,314
Additions	17,645
At 31 December 2021	30,959
Amortisation	
At 1 January 2021	1,920
Charge for the year	1,329
At 31 December 2021	3,249
Net book value	
At 31 December 2021	27,710
At 31 December 2020	11,394

The remaining development intangible relates to live projects that the group is continuing to move forward. The directors have assessed the recoverability of the remaining asset by reference to future prospects and cash flows of these projects and have determined that no further impairment is required in either the group or parent company accounts.

Intangible assets in the company balance sheet at 31 December 2020 included goodwill in error of £1.3m. These have been reclassified to investments. There is no impact on previously reported net assets or profit or loss. See note 24.

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

15. Tangible fixed assets**Group**

	Short-term leasehold property £000	Motor vehicles £000	Fixtures and fittings £000	Office equipment £000	Total £000
Cost or valuation					
At 1 January 2021	410	107	241	39	797
Additions	4	-	2	-	6
Disposals	-	(73)	-	-	(73)
At 31 December 2021	414	34	243	39	730
Depreciation					
At 1 January 2021	115	24	88	30	257
Charge for the year	72	12	41	3	128
Disposals	-	(22)	-	-	(22)
At 31 December 2021	187	14	129	33	363
Net book value					
At 31 December 2021	227	20	114	6	367
At 31 December 2020	295	83	153	9	540

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

15. Tangible fixed assets (continued)

Company

	Short-term leasehold property £000	Fixtures and fittings £000	Total £000
Cost or valuation			
At 1 January 2021	256	34	290
At 31 December 2021	256	34	290
Depreciation			
At 1 January 2021	93	14	107
Charge for the year	51	2	53
At 31 December 2021	144	16	160
Net book value			
At 31 December 2021	112	18	130
At 31 December 2020	163	20	183

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

16. Fixed asset investments

Group

	Other investments £000
Cost or valuation	
At 1 January 2021	18
Additions	11
At 31 December 2021	29
Impairment	
Charge for the period	15
At 31 December 2021	15
Net book value	
At 31 December 2021	14
At 31 December 2020	18

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

16. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2021 (as previously stated)	-
Prior Year Adjustment (see note 24)	1,301
	<hr/>
At 1 January 2021 (as restated)	1,301
	<hr/>
At 31 December 2021	1,301
Impairment	
Charge for the period	15
	<hr/>
At 31 December 2021	15
	<hr/>
Net book value	
At 31 December 2021	1,286
	<hr/>
At 31 December 2020 (as restated)	1,301
	<hr/>

Direct subsidiary undertakings

The following were direct subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
Network Travel Experiences Inc.	United States of America	Ordinary	100%
StreetTeam Software LLC	United States of America	Ordinary	100%
Abode Records Limited	United Kingdom	Ordinary	100%

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

16. Fixed asset investments (continued)

Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
2504030 Ontario Inc.	Canada	Ordinary	100%
JusExperiences UK Limited	United Kingdom	Ordinary	100%
JusCollege Mexico	Mexico	Ordinary	100%
2504031 Delaware Inc.	United States of America	Ordinary	100%
Freelivin' Entertainment, Inc.	United States of America	Ordinary	100%
Ibiza International Music Summit SL	Spain	Ordinary	50%

JusExperiences UK Limited has been included in the group's consolidated financial statements, and is individually exempt from audit by virtue of Section 479A of the Companies Act 2006.

A controlling 50% stake was taken in Ibiza International Music Summit SL during the year.

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

17. Debtors

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Trade debtors	3,026	2,059	31	81
Amounts owed by group undertakings	-	-	75,372	44,280
Other debtors	804	327	657	238
Prepayments and accrued income	18,108	5,228	686	410
Tax recoverable	9,440	5,503	9,440	5,520
Deferred taxation	10	-	-	-
	31,388	13,117	86,186	50,529

18. Cash and cash equivalents

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Cash at bank and in hand	13,735	4,209	9,168	58
	13,735	4,209	9,168	58

19. Creditors: Amounts falling due within one year

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Other loans	17,971	7,637	16,343	6,559
Trade creditors	20,990	2,733	2,714	126
Other taxation and social security	3,597	1,515	3,597	1,515
Other creditors	5,806	2,876	1,156	1,059
Accruals and deferred income	35,235	22,826	125	174
	83,599	37,587	23,935	9,433

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

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

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Other loans	-	17,664	-	17,664
	<u>-</u>	<u>17,664</u>	<u>-</u>	<u>17,664</u>

21. Loans

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Other loans				
Falling due within one year	17,971	7,637	16,343	6,559
Falling due 1-2 years	-	17,664	-	17,664
	<u>17,971</u>	<u>25,301</u>	<u>16,343</u>	<u>24,223</u>

Other loans relate to a number of loans provided to the company.

22. Share capital

	2021 £000	2020 £000
Allotted, called up and fully paid		
Share Capital	<u>2</u>	<u>2</u>

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

22. Share capital (continued)

Share capital is made up as follows:

2,642,377 (2020 - 3,027,836) A Ordinary shares of £0.000100 each.
 619,076 (2020 - 514,889) B Ordinary shares of £0.000100 each.
 585,769 (2020 - Nil) C Ordinary shares of £0.000100 each.
 1,886,600 (2020 - 1,886,600) Series Seed shares of £0.000100 each.
 1,863,323 (2020 - 1,863,323) Series A shares of £0.000100 each.
 10,557,432 (2020 - 10,148,349) Series B shares of £0.000100 each.
 2,713,076 (2020 - Nil) Series C shares of £0.000100 each.

During the year the company issued:

Issue of shares

During the year, the company issued the remainder of its B Ordinary and Series B preferred shares and issued the first tranche of its C Ordinary and Series C Preferred shares. The total equity issued in the period resulted in £381 of new share capital and £69.4m of associated share premium.

Share options and warrants

The Company has granted a number of warrants and options connected to various common share classes. As set out in note 3 the directors have concluded that these are considered to attract minimal or zero value at 31 December 2021. Detailed disclosures in relation to the granted options and warrants have not therefore been given in these financial statements.

23. Reserves***Share premium account***

This account relates to the balance above nominal value that shares were issued at.

Other reserves

This account relates to the fair value portion of convertible loan notes issued during the year, the remaining balance is included within other loans.

Foreign exchange reserve

The group accounts include the results of the company's overseas subsidiaries. The presentational and functional currency of the foreign subsidiaries are not GBP.

The foreign exchange reserve includes all translation differences that have occurred on consolidation for the current period and prior periods.

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

24. Prior year adjustment

The company incorrectly presented an investment in subsidiary as an intangible asset in the prior year. This has now been correctly presented, resulting in an increase of £1.29m to investments and the same decrease to intangibles. There is no impact on profit or loss.

25. Contingent liabilities

There were no contingent liabilities as at 31 December 2021 or 31 December 2020.

26. Capital commitments

There were no capital commitments as at 31 December 2021 or 31 December 2020.

27. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £523,000 (2020: £362,000).

28. Consolidated analysis of net debt

	At 1 January 2021 £000	Movements £000	At 31 December 2021 £000
Cash at bank and in hand	4,209	9,672	4,209
Debt due within 1 year	(7,637)	(13,139)	(20,776)
Debt due after 1 year	(17,664)	17,664	-
	<u>(21,092)</u>	<u>14,197</u>	<u>(16,567)</u>

29. Commitments under operating leases

At 31 December 2021 the group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £000	Group 2020 £000
Not later than 1 year	286	1,105
Later than 1 year and not later than 5 years	430	4,748
	<u>716</u>	<u>5,853</u>

StreetTeam Software Limited

Notes to the financial statements

for the year ended 31 December 2021

30. Related party transactions

The group has taken available of the exemption available in FRS 102 and has not disclosed transactions and balances between wholly owned members of the group.

Let's Go Crazy Holdings Limited ('LGCH') is considered to be a related party through having common directors with StreetTeam Software Limited.

At 31 December 2021, the group owed LGCH £3,557,000 (2020: £3,213,000) with respect to loans payable. During the year, LGCH charged interest on the loans payable of £344,000 (2020: £392,000). Other transactions relate to the net of new loans issued in the year ended 31 December 2021, and a partial loan waiver in the year ended 31 December 2020. The balance has been included in "Other loans".

At 31 December 2021, the group owed LGCH £155,000 (2020: £447,000) with respect to these amounts. This balance has been included in "Trade creditors".

At 31 December 2021, loans due to directors were £94,000.

Key management personnel compensation:

The directors are considered to be the only key management personnel of the group. Directors' remuneration is disclosed in note 9.

31. Post balance sheet events

Issue of new shares and convertible loans

In the period since 31 December 2021, the company has completed its series C funding round, raising an additional £0.9m, received in cash from new and existing shareholders. The company also issued new convertible loans for \$31.5m.

32. Controlling party

The company is under the control of its shareholders. In the opinion of the directors there is no individual controlling party.