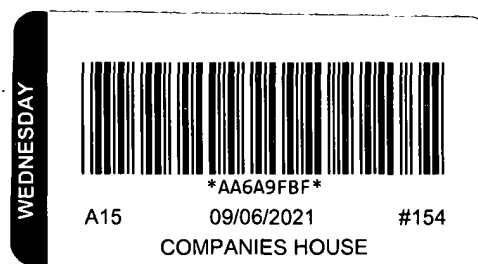


Springer Nature Holdings Limited

Registered Number 46694

Report and Financial Statements

31 December 2020



Springer Nature Holdings Limited

REPORT AND FINANCIAL STATEMENTS 2020

Contents	Page
General information	1
Strategic Report	2
Directors' Report	5
Statement of directors' responsibilities in relation to financial statements	8
Independent Auditors' Report to the members of Springer Nature Holdings Limited	9
Springer Nature Holdings Limited financial statements	
Statement of Profit or Loss and Other Comprehensive Income	12
Statement of Changes in Equity	13
Statement of Financial Position	14
Statement of Cash Flows	15
Notes to the Financial Statements	
1. Authorisation of financial statements and statement of compliance with IFRS	16
2. Summary of significant accounting policies	16
3. Other income and expenses	22
4. Staff costs and directors' emoluments	23
5. Taxation	23
6. Dividends paid	25
7. Property, plant and equipment	25
8. Right of Use Assets	26
9. Investments	27
10. Trade and other receivables	27
11. Cash and cash equivalents	28
12. Issued share capital	28
13. Deferred Tax	28
14. Trade and other payables	29
15. Commitments and contingencies	29
16. Related party disclosures	30
17. Financial risk management	37

Springer Nature Holdings Limited

GENERAL INFORMATION

Directors

S C Inchcoombe
R E Jacobs
G M Williams Hamer

Secretary

G M Williams Hamer

Registered Office

The Campus
4 Crinan Street
London N1 9XW

Bankers

HSBC Bank plc
8 Canada Square
London
E14 5HQ

Solicitors

DLA Piper UK LLP
160 Aldersgate Street
London
EC1A 4HT

Auditor

Ernst & Young LLP
Grosvenor House
Grosvenor Square
Southampton
SO15 2BE

Springer Nature Holdings Limited

Registered No. 46694

Strategic report

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

Results and dividends

The Company's Profit for the year after taxation amounted to £1,147,000 (2019: loss of £923,000). Interim ordinary dividends paid for the year to 31 December 2020 were £nil (2019: £nil). The directors do not recommend the payment of a final dividend (2019: £nil).

Principal activities and review of the business

The principal activity is that of a sub holding company.

The directors have reviewed and considered business risks relating to Springer Nature Holdings Limited ("the Company"). At this time they do not consider that there are any risks solely in relation to the Company, except as noted in the "Principal risks and uncertainties" section.

On an annual basis the directors review the financial statements. The directors continually assess the performance of the Company and the financing structure of the entity.

Key performance indicators

The Company's key financial performance indicator during the year was as follows:

	2020	2019	% change
	£000	£000	
Profit/(loss) after tax	1,147	(923)	(224%)

The Company swung from a loss in prior year to a profit in the current year mainly due to an increase in rental income, increase in finance revenue and reduction in operating costs. This resulted in a % change of 224%.

Income Tax

An analysis of the income tax credit is set out in note 5 to the financial statements. The income tax as a percentage of profit on ordinary activities before income tax was 22.4% in the current year (2019: credit as a percentage of loss of 26.1%).

Future developments

The directors do not foresee any change in activities in the foreseeable future.

Principal risks and uncertainties

The Company's principal financial instruments are comprised of intra-group loans and receivables. The main purpose of these financial instruments is to raise finance for the Company's operations.

The main risk arising from the Company's financial instruments is liquidity risk. The board reviews and agrees policies for managing these risks as summarised below:

Liquidity risk and capital resources

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Company is reliant upon the continued financial support of Group companies which have confirmed their intention to provide the necessary support. The directors have therefore prepared the financial statements on a going concern basis.

The cash flow statement shows £21,000 decrease in cash and cash equivalents in the year ended 31 December 2020 (2019: £280,000 decrease). Dividends of £nil were paid to the Company's shareholders (2019: £nil).

Springer Nature Holdings Limited

Registered No. 46694

Strategic report (continued)

Principal risks and uncertainties (continued)

Credit risk

The Company trades with only recognised, creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

Impact of Covid-19

Management have identified the following ongoing key risks and mitigating actions in relation to Covid-19.

Customer behaviour may be materially impacted by Covid-19 virus, which may have an impact on the scientific research and academic publishing markets. Management have been having regular business update calls to monitor key trading data and address business concerns. The Group continues to be in regular dialogue with customers to adapt to the risk of changes to customer purchasing patterns.

As a leading scientific research publisher, the actions the Group has taken to mitigate customer risk, has included creating an international online hub of Covid-19 stories in its key branded publications comprising Nature, Scientific American, Springer Healthcare and BMC. These actions have led to increased interest in our scientific research content, website traffic and an increase in numbers of research articles published.

There is a risk of infection of employees. Springer Nature have taken appropriate action regarding staff health and safety and restricted international travel. Business Continuity plans have been updated for Covid-19 including escalation procedures, office monitoring and communications. This has included daily monitoring of any Covid-19 incidents with employees.

Contingency plans have been put in place with defined levels of escalation leading ultimately to deep cleaning at affected sites and implementation of remote working where appropriate. Local office representatives have acted, and continue to act, as key contacts for communications and support employees in applying required policies and procedures.

There is a risk that Springer Nature Group offices may be shut for a prolonged period and customer facing activities would need to switch to remote working arrangements. Business Continuity plans have been implemented for each office and staff have been equipped to work from home on as close to a 'business as usual' basis as possible.

The Company has assessed whether the UK lockdown which occurred in 2021 needs to be disclosed as a Post Balance Sheet Event. Over the course of the last year since the pandemic occurred in March 2020, the Company has been able to operate on a business as usual footing. Factors that have enabled us to achieve this include our risk management processes and global online presence which have enabled our staff to continue to work from home effectively. Additionally, the scientific, medical and academic communities we serve have continued to demand our publications which has ensured stability and growth in many areas of our business. Further, due to the global nature of our business the Company has not been materially adversely affected by the UK lockdown that occurred in 2021 and having assessed this do not consider this to be a Post Balance Sheet Event requiring further disclosure.

Section 172(1) Statement

This section, together with those pages incorporated by reference, explains how the Directors have had regard to the matters set out in section 172 1(a) to (f) and forms the director's statement required under section 414CZA of the Companies Act 2006.

a- the likely consequences of any decision in the long term

The Springer Nature Group is governed by a Supervisory Board and a Management Board which regularly meets and makes decisions to promote the long term success of the Group.

The majority of the Board of Directors of the Company are also members of the Group's Management Board and all directors have regard for the likely consequences of decisions in the long term. The

Springer Nature Holdings Limited

Registered No. 46694

Strategic report (continued)

Company's Board meets regularly to discuss the implications of decisions that are to be made. In doing so the Board considers the risks and potential opportunities associated with each decision.

Section 172(1) Statement (continued)

b- the interests of the Company's employees

The Board recognizes the importance of open communication and engagement between workers and managers regarding working conditions. In the UK, the Employee Representation Forum is a group of elected employees who act as a direct communication channel between UK employees and senior management including members of the Group Management Board. Forum representatives offer feedback, consultation and information on issues of importance to staff and to the business. Feedback from colleagues is also gathered via surveys, town hall meetings and on the Company intranet and shared with the Group Management Board. Through these and other forums the Directors of the Company have regard to the interests of the Company's employees.

c- the need to foster the Company's business relationships with suppliers and customers

The Board recognises the importance of fostering business relationships with its suppliers and customers, which it considers to be Business Partners. The Company's policy on Supply Chain management is stated on Page 7 of our Business Partner Code of Conduct, and the Company's policy on Business Conduct (which covers Supplier and Customer relationships) is stated on Page 6. The Company expects its Business Partners to encourage the protection of human rights, labour conditions, health and safety, anti-corruption and environmental protection when fulfilling their contractual obligations and to conduct business in an honest and ethical way, free of corrupt practices, acts of bribery, anti-competitive behaviour or conflicts of interests.

d- the impact of the Company's operations on the community and the environment

As a member of the Springer Nature Group, the Board recognises its responsibilities towards the communities and environment it works with and works in, worldwide. Further details can be found in the Corporate Responsibility section on Page 6 of the Director's Report.

e- maintaining a reputation for high standards of business conduct

Springer Nature's Employee Code of Conduct and Business Partner Code of Conduct provides our framework to maintaining high standards of business conduct. Further details can be found in the Director's Report in these financial statements in the Employee and Supplier and Customer Relationship sections. In addition, the Company's commitment to maintaining high standards of business conduct can also be found in Springer Nature's Responsible Business report.

f- the need to act fairly as between members of the Company

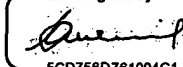
The Company is a wholly owned subsidiary within the Springer Nature Group and has a single parent company as its immediate shareholder.

The Supervisory Board and Management Board of the Company's ultimate parent both have regard to the interests of the ultimate shareholders of the Group.

Springer Nature Holdings Limited
Registered No. 46694

Strategic report (continued)

Approved by the Board of Directors
and signed on behalf of the Board

DocuSigned by:

5CD756D761094C1...

G M Williams Hamer
Director
27 May 2021

Springer Nature Holdings Limited

Registered No. 46694

Directors' report

Company Registration No. 46694

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

Directors & their interests

The directors holding office during the year are shown on page 1.

During the year no director, or their spouses or dependent children, has held any interest in the shares of the Company.

The Company has indemnified one or more directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Company's Articles of Association. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' Report.

Going concern

The directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future and have therefore continued to adopt the going concern basis of accounting in preparing the annual financial statements. Going concern has been assessed, taking into account the Company's current financial position and after modelling the impact of certain scenarios related to the impact of Covid-19. One 'base case scenario' and one 'reverse stress test' scenario has been modelled to address the risk posed by Covid-19.

The 'base case scenario' assumes continued restrictions in place due to Covid-19 in Q1 to Q2 2021 with gradual easing occurring during the remainder of the year.. A broad assessment of the financial impact has been modelled including impact on income and operating costs. In modelling the scenario, the Company has considered the potential impact on rental income. The base case does not threaten the going concern of the Company.

The 'reverse stress test scenario' modelled a revenue forecast that would cause the Company to become cashflow negative for the next 12 months, and to determine if this is reasonably possible. This indicated that rental income would need to fall by more than 55% over the next 12 months before the Company would need to seek additional liquidity resources. This scenario was considered to be implausible due to a range of factors including; the fixed income nature of rental income contracts and the financial strength of the parties renting the properties.

The entity forms part of the group cash pooling arrangement underpinning the daily liquidity of the entity with access to cash via the cash pooling facility. The directors received a letter of support from the parent entity to confirm continued access to the cash pooling facility, and support for the parent entity's ability to stand behind the facility for the going concern period reported below. Based on the above modelling, the Directors have a reasonable expectation that the Company will continue in operation and meet its liabilities as they fall due for the foreseeable future and to at least 30 June 2022 which is the formal going concern period modelled by management.

Financial instruments

The Company's financial risk management objectives and policies are discussed in note 17.

Springer Nature Holdings LimitedRegistered No. 46694

Directors' report (continued)**Corporate responsibility**

As a member of the Springer Nature Group, the Company recognises its responsibilities towards the communities it works with and works in, worldwide. The Company considers compliance with the laws and regulations that impact our business to be an essential part of acting responsibly. Where local laws are less restrictive than Springer Nature's Code of Conduct and Global Policies, Springer Nature expects its employees and other representatives to follow Springer Nature's Code of Conduct and Global Policies even if the conduct would otherwise be legal. Working at Springer Nature means respecting the individual, embracing diversity, equality of opportunity, prohibiting discrimination and maintaining healthy and safe working conditions.

Springer Nature supports the delivery of the UN's Sustainable Development Goals (SDGs) and aims to be the SDG Publisher of Choice, by publishing and disseminating research relevant to the Goals. In support of SDG 13: Climate Action, Springer Nature is acting to reduce its carbon footprint and other environmental impacts, including reducing net carbon emissions. The Company is a member of the Book Chain Project, which supports publishers in understanding the origins of, and forest-management practices for, the wood fibre used in papers and boards. The Company expects high standards of corporate responsibility from its business partners, and undertakes audits to verify that appropriate standards are adhered to by its suppliers. Further details on Springer Nature's responsible business strategy, environmental initiatives and community programmes, as well as the Business Partner Code of Conduct, Modern Slavery Act statement and UK Gender Pay Gap report can be accessed at www.springernature.com/responsiblebusiness

Carbon Emissions

The Company is classified as a low energy user as it directly consumes less than 40MWh of energy each year, therefore energy and carbon information is not disclosed as per the Streamlined Energy and Carbon Reporting (SECR) legislation. We will continue to review our emissions annually and include these when appropriate.

Springer Nature Group reports on sustainability annually via its Sustainable Business report, which can be viewed at www.springernature.com/SustainableBusiness

Employees**Employee engagement**

Springer Nature recognizes the importance of open communication and engagement between workers and managers regarding working conditions. We respect our employees' legal rights to freely associate, organize and bargain collectively without fear of harassment, intimidation, penalty, intimidation or reprisal. In the UK, the Employee Representation Forum is a group of elected employees who act as a direct communication channel between UK employees and senior management including members of the Management Board. Forum representatives offer feedback, consultation and information on issues of importance to staff and to the business. Feedback from colleagues is also gathered via surveys, town hall meetings and on the Company intranet. Through these and other forums the Group raises awareness of the financial and economic factors that influence the Group's performance.

Communication, training and development

The Group is committed to the continuous improvement of employee performance by developing skills and expertise through training and development. We provide support that helps our global leaders to work efficiently in virtual teams, communicate across geographies and cultures, and develop diverse leadership groups that reflect the wider workforce. We offer training programmes, ranging from business skills to resilience via an online learning platform and provide information on business strategy and regular performance updates on an employee intranet.

Springer Nature Holdings Limited
Registered No. 46694

Directors' report (continued)

Disabled Persons

The Group recognises a duty towards the disabled by taking opportunities to employ suitably qualified disabled people. Arrangements are made to encourage their participation in training and career development.

Supplier and customer relationships

The Company recognises the importance of fostering business relationships with its suppliers and customers, which it considers to be Business Partners. The Company's policy on Supply Chain management is stated on Page 7 of our Business Partner Code of Conduct, and the Company's policy on Business Conduct (which covers Supplier and Customer relationships) is stated on Page 6. The Company expects its Business Partners to encourage the protection of human rights, labour conditions, health and safety, anti-corruption and environmental protection when fulfilling their contractual obligations and to conduct business in an honest and ethical way, free of corrupt practices, acts of bribery, anti-competitive behaviour or conflicts of interests.

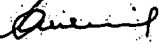
It is the Company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Company and its suppliers, provided that all trading terms and conditions have been complied with.

Directors' statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 2. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware; and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board of Directors
and signed on behalf of the Board

DocuSigned by:

5CD758D761094C1...

G M Williams Hamer
Director
27 May 2021

Springer Nature Holdings Limited

Statement of directors' responsibilities in relation to the financial statements

The Directors are responsible for preparing the Report and Financial Statements in accordance with applicable laws 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 International Financial Reporting Standards (IFRSs) in conformity with the requirements of the Companies Act 2006. 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 of the profit and loss for that period.

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

- select suitable accounting policies in accordance with IAS8 "Accounting policies, changes in accounting estimates and errors" and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements and accounting estimates that are reasonable and prudent;
- provide additional disclosures when compliance with the specific requirements in IFRSs in conformity with the requirements of the Companies Act 2006 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and
- state whether the financial statements have been prepared in accordance with IFRSs in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report

to the members of Springer Nature Holdings Limited

OPINION

We have audited the financial statements of Springer Nature Holdings Limited for the year ended 31 December 2020 which comprise the Statement of Profit or Loss and Other Comprehensive Income, the Statement of changes in equity, the Statement of Financial Position, the Statement of cash flows and the related notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards in conformity with the requirements of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the period to 30 June 2022.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

OTHER INFORMATION

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 there is 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report

to the members of Springer Nature Holdings Limited (continued)

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 8, 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Independent auditor's report

to the members of Springer Nature Holdings Limited (continued)

EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Due to the simplicity of the Company and the small number of transactions our procedures focussed on:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (IFRS and the Companies Act 2006) and the relevant direct tax compliance regulation in the United Kingdom.
- We understood how the Company is complying with those frameworks by making enquiries of management to understand how the Company maintains and communicates its policies and procedures in these areas, and corroborated this by reviewing supporting documentation. We also reviewed correspondence with relevant authorities.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing all material transactions.

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

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.

Ernst & Young LLP

Ryan Squires (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Southampton

Date: *28 May 2021*

Springer Nature Holdings Limited

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2020

		2020	2019
	Notes	£000	£000
Continuing operations			
Other income	3	8,026	7,322
Depreciation and amortisation expense	3	(3,604)	(4,457)
Other expense	3	(410)	(303)
Operating Profit		4,012	2,562
Finance income	3	1,922	778
Finance costs	3	(4,456)	(4,589)
Profit/(loss) before tax		1,478	(1,249)
Income tax	5	(331)	326
Profit/(loss) for the year		1,147	(923)
Other comprehensive income		-	-
Total comprehensive income/(loss)		1,147	(923)

Springer Nature Holdings Limited

Statement of changes in equity

for the year ended 31 December 2019

2020	<i>Issued capital £000</i>	<i>Share premium £000</i>	<i>Retained Earnings £000</i>	<i>Total Equity £000</i>
At 1 January 2020	772	76,789	23,666	101,227
Profit for the year	-	-	1,147	1,147
<i>Total comprehensive income</i>	-	-	1,147	1,147
<i>At 31 December 2020</i>	<u>772</u>	<u>76,789</u>	<u>24,813</u>	<u>102,374</u>
2019				
At 1 January 2019	772	76,789	24,589	102,150
Loss for the year	-	-	(923)	(923)
<i>Total comprehensive loss</i>	-	-	(923)	(923)
<i>At 31 December 2019</i>	<u>772</u>	<u>76,789</u>	<u>23,666</u>	<u>101,227</u>

Springer Nature Holdings Limited

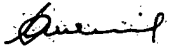
Statement of Financial Position

as at 31 December 2020

ASSETS	Note	2020	2019
		£000	£000
Non-current assets			
Property, plant and equipment	7	3,228	3,330
Right of use assets	8	26,396	29,899
Investment in subsidiaries	9	43,764	43,764
Deferred tax asset	13	107	30
		73,495	77,023
Current assets			
Trade and other receivables	10	116,444	116,101
Income tax receivable		-	379
Cash and cash equivalents	11	19	40
		116,463	116,520
TOTAL ASSETS		189,958	193,543
EQUITY AND LIABILITIES			
Shareholders' equity			
Issued capital	12	772	772
Share Premium		76,789	76,789
Retained earnings		24,813	23,666
TOTAL EQUITY		102,374	101,227
Non-current liabilities			
Other non-current liabilities	14	1,008	959
Lease liabilities	8	29,958	33,717
		30,966	34,676
Current liabilities			
Trade and other payables	14	54,110	53,872
Income tax payable		308	-
Lease liabilities	8	2,200	3,768
TOTAL LIABILITIES		87,583	92,316
TOTAL EQUITY AND LIABILITIES		189,958	193,543

These financial statements were approved by the Board of Directors on 21 May 2021.

Signed on behalf of the Board of Directors.

DocuSigned by:

5CD756D781094C1...

G M Williams Hamer
Director
27 May 2021

Registered number: 46694

Springer Nature Holdings Limited

Statement of cash flows

for the year ended 31 December 2020

	2020 £000	2019 £000
Cash flows from operating activities		
Operating profit	4,012	2,562
(Increase)/decrease in accounts receivable	(343)	46,861
Increase/(decrease) in accounts payable less than one year	238	(47,980)
Increase in accounts payable more than one year	49	47
Depreciation charges	3,604	4,457
Loss/(gain) on disposal of fixed asset	110	(515)
Income tax received	278	243
Net cash flows from operating activities	7,948	5,675
Cash flows from investing activities		
Interest received	1,922	778
(Expense)/income on disposal of property, plant and equipment	(110)	515
Net cash flows from investing activities	1,812	1,293
Cash flows used in financing activities		
Interest paid	(4,456)	(4,589)
Change in finance lease liability	(5,325)	(2,659)
Net cash flows used in financing activities	(9,781)	(7,248)
Net decrease in cash and cash equivalents	(21)	(280)
Cash and cash equivalents at 1 January	11 40	320
Cash and cash equivalents at 31 December	11 19	40

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020

1. Authorisation of financial statements and statement of compliance with IFRSs

The financial statements of the Company for the year ended 31 December 2020 were authorised for issue in accordance with a resolution of the directors on 21 May 2021. The Company is a limited company incorporated in England.

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards in conformity with the requirements of the Companies Act 2006.

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards and in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the Company are set out in note 2.

The Company is exempt from preparing Group financial statements under Section 400 Companies Act 2006. The financial statements present information about the Company as an individual undertaking and not about its Group.

The parent company of the smallest group into which the results of the Company are consolidated is Springer Nature AG & Co. KGaA, Berlin, a company registered in Germany.

2. Summary of significant accounting policies

Statement of Compliance

The Company's accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Standards Accounting Board in conformity with the requirements of the Companies Act 2006.

Basis of preparation

The financial statements are presented in GBP sterling and all values are rounded to the nearest thousand (£'000) except when otherwise indicated.

Going Concern

The going concern basis of preparing the financial statements has been adopted as in the view of the directors, as set out in the Directors' report on page 5, the Company has adequate resources to continue in operational existence for the foreseeable future.

As set out in the Director's report, going concern has been assessed, taking into account the Company's current financial position and after modelling the impact of certain scenarios related to the impact of Covid-19. One 'base case scenario' and one 'reverse stress test' scenario has been modelled to address the risk posed by Covid-19.

The 'base case scenario' assumes continued restrictions in place due to Covid-19 in Q1 to Q2 2021 with gradual easing occurring during the remainder of the year. A broad assessment of the financial impact has been modelled including impact on income and operating costs. In modelling the scenario, the Company has considered the potential impact on rental income. The base case does not threaten the going concern of the Company.

The 'reverse stress test scenario' modelled a revenue forecast that would cause the Company to become cashflow negative for the next 12 months, and to determine if this is reasonably possible. This indicated that rental income would need to fall by more than 55% over the next 12 months before the Company would need to seek additional liquidity resources. This scenario was considered to be implausible due to a range of factors including; the fixed income nature of rental income contracts and the financial strength of the parties renting the properties.

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

2. Summary of significant accounting policies (Continued)

Going Concern (continued)

The entity forms part of the group cash pooling arrangement underpinning the daily liquidity of the entity with access to cash via the cash pooling facility. The directors received a letter of support from the parent entity to confirm continued access to the cash pooling facility, and support for the parent entity's ability to stand behind the facility for the going concern period reported below.

Based on the above modelling, the Directors have a reasonable expectation that the Company will continue in operation and meet its liabilities as they fall due for the foreseeable future and to at least 30 June 2022 which is the formal going concern period modelled by management.

Impact of COVID-19

In light of the ongoing COVID-19 pandemic, the Company has considered whether any adjustments are required to reported amounts in the financial statements. Over the course of the last year since the pandemic occurred in March 2020, the Company has been able to operate on a business as usual footing. Factors that have enabled us to achieve this include our risk management processes and global online presence which have enabled our staff to continue to work from home effectively. Additionally, the scientific, medical and academic communities we serve have continued to demand our publications which has ensured stability and growth in many areas of our business. Moreover, due to the global nature of our business the Company has not been materially adversely affected by the UK lockdown that occurred in 2021 and having assessed this do not consider this to be a Post Balance Sheet Event requiring further disclosure.

Fixed assets

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment in value. Land and buildings are measured at cost less any depreciation and impairment in value. Depreciation of property, plant and equipment is calculated on cost at rates considered appropriate for the class and estimated useful life of the assets concerned.

Land and Buildings 0% to 10% on a straight line basis or on book written down value.

Plant and equipment 10% to 33% on a straight line basis or on book written down value.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses of continuing operations are recognised in the statement of profit or loss in those expense categories consistent with the function of the impaired asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of profit or loss in the year in which it is derecognised.

Investments

All investments are recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment less provision for impairment.

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

2. Summary of significant accounting policies (Continued)

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of the Cash Flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance income or finance expense.

Revenue

Revenue is recognised based on IFRS 15 - Revenue from contracts with customers. Revenue arises from the provision of products and services under contracts with customers. In all cases, revenue is recognised with fulfilment of the underlying performance obligation at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, and is recognised when the customer obtains control of the goods or services. The following specific recognition criteria must also be met before revenue is recognised:

Interest

Revenue is recognised as the interest accrues on a time proportion basis, taking into account the effective yield on the asset.

Dividends

Revenue is recognised when the shareholders' right to receive the payment is established.

Income 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 statement of financial position date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- Where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;
- Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise income tax is recognised in the income statement.

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

2. Summary of significant accounting policies (Continued)

Leases

The Company assesses whether a contract represents or contains a lease. This assessment involves the exercise of judgement about whether it depends on a specified asset, whether the Company obtains substantially all the economic benefits from the use of the asset and whether the Company has the right to direct the use of the asset. The Company has elected not to separate lease and non-lease components for lease of vehicles. The Company recognises a right-of-use asset and a lease liability at the commencement of the lease. The right-of-use asset is initially measured based on the present value of lease payments plus initial direct costs and the costs of obligations to refurbish the asset, less any incentives received. The right-of-use asset is depreciated over the shorter of the lease term or the useful life of the underlying asset. The right-of-use asset is subject to testing for impairment if there is an indicator for impairment. Lease payments generally include fixed payments and variable payments that depend on an index (such as an inflation index). When the lease contains an extension or purchase option that the Company considers reasonably certain to be exercised, the additional lease payments (extension option) or purchase price payments (purchase option) are included in the lease payments. The Company has elected not to recognise right-of-use assets and liabilities for leases of other equipment where the total lease term is less than or equal to 12 months, or for low value leases. The payments for such leases are recognised in the profit or loss on a straight-line base over the term of the lease.

Financial Assets

Initial Recognition and Measurement

Financial assets are classified as subsequently measured at Amortised Cost (AC), Fair Value Through Other Comprehensive Income (FVTOCI), and Fair Value Through Profit or Loss (FVTPL). The Company determines the classification of its financial assets at initial recognition.

Under IFRS 9, the classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the statement of profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at AC or FVTOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Subsequent Measurement

Financial assets are designated as financial assets at AC (debt instruments), if (a) the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at AC are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains or losses are recognised in the statement of profit or loss when the asset is de-recognised, modified or impaired or when there is a change in cash flow projections.

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through the statement of profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through the statement of profit or loss, irrespective of the business model.

Springer Nature Holdings Limited

Notes to the financial statements for the year ended 31 December 2020 (continued)

2. Summary of significant accounting policies (Continued)

Financial Assets (continued)

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

De-recognition

A financial asset is derecognised when one of the following conditions has been fulfilled:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Company recognises an allowance for expected credit losses for all debt instruments not held at FVTPL. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default. If a customer has become insolvent or other circumstances indicate default, the corresponding receivables are written off in full.

For trade receivables, Springer Nature applies a simplified approach in calculating ECLs by recognising a loss allowance based on lifetime expected credit losses at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings or payables. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, and derivative financial instruments that are not designated as hedging instruments.

Subsequent Measurement

Financial liabilities at FVTPL include financial liabilities designated upon initial recognition as at FVTPL. These include derivative financial instruments that are not designated as hedging instruments. Gains or losses from the subsequent measurement are recognised in the statement of profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at AC using the effective interest rate method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised, as well as through the effective interest rate amortisation process.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Notes to the financial statements

for the year ended 31 December 2020 (continued)

2. Summary of significant accounting policies (Continued)

New and amended Standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. These amendments had no impact on the financial statements of the Company, but may impact future periods should the Company enter into any business combinations.

Amendments to IFRS 7, IFRS 9 and IAS 39 Interest Rate Benchmark Reform

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. These amendments have no impact on the financial statements of the Company as it does not have any benchmark affected interest rate hedge relationships.

Amendments to IAS 1 and IAS 8 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of the Company, nor is there expected to be any future impact to the Company.

Conceptual Framework for Financial Reporting issued on 29 March 2018

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. These amendments had no impact on the financial statements of the Company.

Amendments to IFRS 16 Covid-19 Related Rent Concessions

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment had no impact on the financial statements of the Company.

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

3. Other income and expenses

	Note	2020 £000	2019 £000
Other income			
Income from related parties	16	6,902	5,524
Gain on disposal of property, plant and equipment		-	515
Other related party income		1,124	1,283
		<u>8,026</u>	<u>7,322</u>
Depreciation and amortisation expense			
Depreciation of tangible fixed assets	7, 8	(3,604)	(4,457)
		<u>(3,604)</u>	<u>(4,457)</u>
Other expenses			
Administration expenses		(45)	(67)
Rent and lease expenses		(212)	(227)
Loss on disposal of property, plant and equipment		(110)	-
Expenses from related parties	16	(17)	5
Losses from currency translation		(26)	(14)
		<u>(410)</u>	<u>(303)</u>
Finance revenue			
Interest receivable from related parties	16	1,922	778
		<u>1,922</u>	<u>778</u>
Finance costs			
Interest payable to related parties	16	(2,912)	(3,267)
Lease interest payable		(1,495)	(1,275)
Interest on reinstatement provision		(49)	(47)
		<u>(4,456)</u>	<u>(4,589)</u>

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

4. Staff costs and Directors' emoluments

Director's remuneration is paid by other Group entities for their role in the Company as well as their role in the other Group entities. Director's emoluments relating to the Company are therefore considered to be immaterial as the director's role in the Company is incidental to their overall role in the Group.

5. Taxation

(a) Tax on (loss)/profit on ordinary activities

Major components of income tax credit/(charge) for the years ended 31 December 2020 and 2019 are:

Income Statement	2020	2019
	£000	£000
<i>Current income tax:</i>		
Current income tax credit/(charge)	(307)	320
Adjustments in respect of current income tax of previous years	(1)	59
Foreign tax suffered	(101)	(50)
	<hr/>	<hr/>
Total current income tax	(409)	329
	<hr/>	<hr/>

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

5. Taxation (continued)	2020	2019
	£000	£000
Deferred tax:		
Relating to origination and reversal of temporary differences	78	(3)
Relating to prior year	-	-
Total deferred income tax	78	(3)
Tax credit/(charge) in the income statement	(331)	326

(b) Reconciliation of the total tax (credit)/charge

A reconciliation of income tax (credit)/expense applicable to accounting (loss)/profit before income tax at the statutory income tax rate to income tax (credit)/expense at the Company's effective income tax rate for the years ended 31 December 2020 and 2019 is as follows:

	2020	2019
	£000	£000
Accounting (loss)/profit before income tax	1,478	(1,249)
At UK statutory income tax rate of 19% (2019: 19%)	281	(237)
Income not subject to corporation tax	19	-
Expenses not deductible for tax purposes	220	325
Changes in temporary differences	34	94
Prior year adjustments	(113)	(218)
Other	(110)	(290)
At effective income tax rate of 22.4% (2019 26.1%)	331	(326)

Factors that may affect future tax (credits)/charges:

A reduction in the UK corporation tax rate from 20% to 19% took effect from 1 April 2018. A further reduction in the UK corporation rate to 17% from 1 April 2020 was enacted during the year ended 31 December 2016. At Budget 2020, the government announced that the Corporation Tax main rate for the years starting 1 April 2020 and 2021 would remain at 19%. The impact of these changes have been appropriately reflected in these financial statements. The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. These changes were not substantively enacted at the balance sheet date and hence have not been reflected in the measurement of deferred tax balances at the period end. It is not anticipated that these changes will have a material impact on the Company's deferred tax balances.

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

6. Dividends paid

	2020	2019
	£000	£000
Declared and paid during the year:		
Equity dividends on ordinary shares:		
Interim dividend paid for 2020: £0.00 per share (2019: £nil per share)	-	-

7. Property, plant and equipment

	<i>Land and buildings</i> £000
Cost	
At 1 January 2020	10,404
Additions	-
Cost at 31 December 2020	10,404
Accumulated depreciation	
At 1 January 2020	(7,074)
Charge for year	(102)
Depreciation at 31 December 2020	(7,176)
Net book value	
Net book value at 31 December 2020	3,228
Net book value at 1 January 2020	3,330

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

8. Right Use of Assets

	<i>Right of Use Office Space</i>	<i>Right of Use Other</i>	<i>Total</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>
Cost			
At 1 January 2020	36,777	112	36,889
Additions	16	(18)	(2)
Disposals	-	(79)	(79)
At 31 December 2020	36,793	15	36,808
Accumulated depreciation			
At 1 January 2020	(6,909)	(81)	(6,990)
Charge for the year	(3,489)	(13)	(3,502)
Disposals	-	79	79
At 31 December 2020	(10,398)	(15)	(10,413)
Net book value			
At 31 December 2020	26,395	-	26,395
At 31 December 2019	29,868	31	29,899

Long term and short-term leasing liabilities breakdown into different leasing categories as follows:

Lease liability	<i>Non- current</i>	<i>Current</i>
	<i>£000</i>	<i>£000</i>
Office space	29,958	2,200
Other	-	-
Carrying amount as at 31 December 2020	29,958	2,200

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

8. Right Use of Assets (Continued)

Lease payments

	<i>Nominal value</i>	<i>Discounted amount</i>	<i>Present value</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>
Less than 1 year	3,536	1,336	2,200
1 to 5 years	20,080	3,684	16,396
More than 5 years	14,391	829	13,562
Total lease payments as at 31 December 2020	38,007	<u>5,849</u>	<u>32,158</u>

9. Investments

	<i>2020</i>	<i>2019</i>
	<i>£000</i>	<i>£000</i>
Shares at cost at 1 January	<u>43,764</u>	<u>43,764</u>
Shares at cost at 31 December	<u>43,764</u>	<u>43,764</u>
Net book value at 31 December	<u>43,764</u>	<u>43,764</u>
Net book value at 1 January	<u>43,764</u>	<u>43,764</u>

See note 15 for list of subsidiaries.

10. Trade and other receivables

	<i>Note</i>	<i>2020</i>	<i>2019</i>
		<i>£000</i>	<i>£000</i>
Other receivables and prepayments		2,787	2,067
Other related parties	16	<u>113,657</u>	<u>114,034</u>
		<u>116,444</u>	<u>116,101</u>

Included in the related party balance of £113,657,000 is the amount of £62,058,000 is due from Springer Nature Three GmbH under an intercompany cash pooling arrangement, is repayable on demand and has an approximate interest rate of 1 month LIBOR plus 0.25% and an amount of £50m due from Springer Nature Limited, which relates to a prepayment, the terms of which are governed by an asset-backed funding agreement to address the Macmillan Group pension scheme deficit.

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

11. Cash and cash equivalents

For the purposes of the Cash Flow, cash and cash equivalents comprise the following at 31 December:

	2020	2019
	£000	£000
Cash at bank and in hand	19	40

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates. The fair value of cash and cash equivalents are £19,000 (2019: £40,000).

12. Issued share capital

	Number	£000
Allotted, called up and fully paid:		
31 December 2020		
Ordinary shares of £1 each		
At 1 January and 31 December 2020	772,376	772
31 December 2019		
Ordinary shares of £1 each		
At 1 January and 31 December 2019	772,376	772

13. Deferred Tax

The analysis by category of deferred tax included in the statement of financial position is as follows

	2020	2019
	£000	£000
Deferred tax asset		
Accelerated capital allowances/(depreciation)	(107)	(30)

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

14. Trade and other payables

	<i>Note</i>	<i>2020</i>	<i>2019</i>
Current		<i>£000</i>	<i>£000</i>
Other related parties	16	53,509	53,185
Other payables and accruals		602	687
		<u>54,111</u>	<u>53,872</u>
Non-current			
Other payables and accruals	16	1,008	959
Lease liabilities	8	32,158	37,484
		<u>33,166</u>	<u>38,443</u>

The Company has made provision for office space that is vacant with regards to operating leases where it had a commitment.

15. Commitments and contingencies

Capital Commitments

At 31 December 2020, Springer Nature Holdings Limited has no capital commitments (2019: £Nil) contracted for but not provided in the financial statements.

Guarantees

Springer Nature Holdings Limited has no contingent liabilities at 31 December 2020 (2019: £Nil).

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

16. Related party disclosures

a) Subsidiary undertakings

At 31 December the following companies were principal subsidiaries:

		<i>Country of incorporation/ registration</i>	<i>Class of share</i>	<i>Proportion of voting rights held by the Group</i>	
				2020	2019
Springer Nature (UK) Limited	1	England and Wales	Ordinary	100.00%	100.00%
Springer Nature Limited		England and Wales	Ordinary	100.00%	100.00%
Macmillan Education Limited		England and Wales	Ordinary	100.00%	100.00%
Macmillan (SLP) General Partner Limited	1	England and Wales	Ordinary	100.00%	100.00%
Macmillan Magazines Limited		England and Wales	Ordinary	100.00%	100.00%
Macmillan Pension Plan Limited		England and Wales	Ordinary	100.00%	100.00%
Macmillan Subscriptions Limited		England and Wales	Ordinary	100.00%	100.00%
Springer Nature Two Limited		England and Wales	Ordinary	100.00%	100.00%
Macmillan Scottish Limited Partnership		Scotland	Ordinary	100.00%	100.00%
Macmillan Iberia S.A.		Spain	Ordinary	100.00%	100.00%
Macmillan Polska Sp. Z.o.o.		Poland	Ordinary	100.00%	100.00%
College Press Netherlands B.V.		Netherlands	Ordinary	100.00%	100.00%
Springer Nature America, Inc.		USA	Ordinary	100.00%	100.00%
Springer Nature Academic Publishing, Inc.		USA	Ordinary	100.00%	100.00%
Rednova Learning Inc		USA	Ordinary	100.00%	100.00%
Macmillan Botswana Publishing Company (Pty)		Botswana	Ordinary	100.00%	100.00%
Macmillan Boleswa Publishers (Lesotho) (Pty) Limited		Lesotho	Ordinary	100.00%	100.00%
Macmillan Education Eswatini (Proprietary) Limited		Eswatini	Ordinary	100.00%	100.00%
Macmillan Eswatini National Publishers Proprietary Limited		Eswatini	Ordinary	70.00%	70.00%
Macmillan Boleswa Publishers (Pty) Limited		Eswatini	Ordinary	100.00%	100.00%

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

16. Related party disclosures (continued)

	<i>Country of incorporation/ registration</i>	<i>Class of share</i>	<i>Proportion of voting rights held by the Group</i>	
			2020	2019
Macmillan Education Namibia Publishers (Pty) Limited	Namibia	Ordinary	100.00%	100.00%
Edumeds (Pty) Limited	Namibia	Ordinary	100.00%	100.00%
Edumeds (Rundu) (Pty) Limited	Namibia	Ordinary	100.00%	100.00%
Namibia Educational Services (Proprietary) Limited	Namibia	Ordinary	100.00%	100.00%
Namibia Publishing House (Proprietary) Limited	Namibia	Ordinary	100.00%	100.00%
Macmillan South Africa (Pty) Limited 2	South Africa	Ordinary	75.00%	75.00%
Macmillan Educacao Mozambique Ltda	Mozambique	Ordinary	80.00%	80.00%
Editora Nacional de Mocambique	Mozambique	Ordinary	80.00%	80.00%
Macmillan Science and Education Australia Pty Limited	Australia	Ordinary	100.00%	100.00%
Macmillan Publishers (China) Limited	Hong Kong	Ordinary	100.00%	100.00%
Macmillan Information Consulting Services (Shanghai) Co. Limited	China	Ordinary	100.00%	100.00%
Macmillan Publishers India (Private) Limited 1	India	Ordinary	100.00%	100.00%
Macmillan Language House Limited	Japan	Ordinary	100.00%	100.00%
Nature Japan K.K.	Japan	Ordinary	100.00%	100.00%
Macmillan Korea Publishers Limited	South Korea	Ordinary	100.00%	100.00%
Macmillan Publishers (Thailand) Limited	Thailand	Ordinary	100.00%	100.00%

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

16. Related party disclosures (continued)**a) Subsidiary undertakings (continued)**

	<i>Country of incorporation/ registration</i>	<i>Class of share</i>	<i>Proportion of voting rights held by the Group</i>	
			2020	2019
Macmillan Publishers, S.A. de C.V.	Mexico	Ordinary	100.00%	100.00%
Ediciones Castillo S.A. de C.V.	Mexico	Ordinary	100.00%	100.00%
Macmillan Administracion Corporativa, SA de CV	Mexico	Ordinary	100.00%	100.00%
Macmillan Publishers S.A.	Peru	Ordinary	95.00%	95.00%
Macmillan do Brasil Editora, Comercializadora, Importadora e Distribuidora Ltda	Brazil	Ordinary	100.00%	100.00%
Macmillan Publishers S.A.	Argentina	Ordinary	100.00%	100.00%
Editorial Puerto de Palos S.A.	Argentina	Ordinary	100.00%	100.00%
Editorial Estrada S.A.	Argentina	Ordinary	100.00%	100.00%
Macmillan Publishers S.A.S.	Colombia	Ordinary	100.00%	100.00%
Macmillan Publishers Egypt Limited	Egypt	Ordinary	100.00%	100.00%
Kawkab Distribution Limited	Egypt	Ordinary	98.00%	98.00%

Notes

1 Shares held directly by the Company. All other shares are held wholly or partly by subsidiary undertakings.

2 The 25% minority held in the South Africa entity relates to obligations under the black economic empowerment rules in South Africa.

The principal activity of the above subsidiaries is the publishing of books and periodicals.

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

16. Related party disclosures (continued)**(b) Associated Undertakings**

The following companies were considered to be associated undertakings:

<i>Country of Registration</i>	<i>Incorporation/</i>	<i>Class of share</i>	<i>Proportion of shares held by the Group as at 31 December</i>	
			2020	2019
College Press Publishers (Pvt) Limited	Zimbabwe	Ordinary	48.91%	48.91%
Ediciones Bilingues SL	Spain	Ordinary	50.00%	50.00%
Nikkei Science Inc	Japan	Ordinary	50.00%	50.00%
Inchi Trust Limited	England and Wales	Ordinary	50.00%	50.00%

All shares in the entities above are held by subsidiary undertakings.

The following table provides the total amount of transactions which have been entered into with related parties for the relevant financial year:

	<i>Income from related parties</i>	<i>Expenses with related parties</i>	<i>Interest received from related parties</i>	<i>Interest paid to related parties</i>	<i>Amounts owed from related parties</i>	<i>Amounts owed to related parties</i>
<i>Related party</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Immediate holding company:						
Springer Nature Publishers Holdings Limited						
2020	-	-	-	-	-	12,000
2019	-	-	-	(382)	-	12,000
Fellow undertakings						
Springer Nature Limited						
2020	6,902	(1)	-	-	50,575	-
2019	5,564	-	-	-	50,463	5
Macmillan Publishers Egypt Ltd						
2020	18	-	-	-	-	-
2019	22	-	-	-	79	-
Macmillan Publishers India Private Limited						
2020	88	-	-	-	79	-
2019	90	(4)	-	-	168	-
Macmillan Scottish Limited Partnership						
2020	-	-	-	(2,912)	-	41,491
2019	-	-	-	(2,885)	-	41,163

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

16. Related party disclosures (continued)

<i>Related party</i>	<i>Income from related parties</i>	<i>Expenses with related parties</i>	<i>Interest received from related parties</i>	<i>Interest paid to related parties</i>	<i>Amounts owed from related parties</i>	<i>Amounts owed to related parties</i>
<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Springer Nature Three GmbH						
2020	-	-	1,922	-	62,058	-
2019	-	-	778	-	62,294	-
Stampdew Limited						
2020	-	-	-	-	-	-
2019	-	-	-	-	-	-
Macmillan Botswana Publishing Company (Pty) Ltd						
2020	10	-	-	-	10	-
2019	3	-	-	-	3	-
Macmillan Boleswa Publishers (Lesotho) (Pty) Ltd						
2020	-	-	-	-	-	-
2019	3	-	-	-	3	-
Macmillan South Africa (Pty) Ltd						
2020	74	-	-	-	74	-
2019	92	-	-	-	92	-
Macmillan Education Eswatini (Proprietary) Limited						
2020	11	-	-	-	44	-
2019	13	-	-	-	33	-
Macmillan Language House Ltd						
2020	-	-	-	-	-	-
2019	12	-	-	-	-	-

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

16. Related party disclosures (continued)

		<i>Income from related parties</i>	<i>Expenses with related parties</i>	<i>Interest received from related parties</i>	<i>Interest paid to related parties</i>	<i>Amounts owed from related parties</i>	<i>Amounts owed to related parties</i>
		£000	£000	£000	£000	£000	£000
Macmillan Science and Education Australia Pty Ltd							
	2020	28	-	-	-	28	-
	2019	62	-	-	-	62	-
Macmillan Polska Spolka Z.o.o							
	2020	53	-	-	-	-	-
	2019	50	-	-	-	50	-
Macmillan Iberia SA							
	2020	264	-	-	-	-	-
	2019	274	-	-	-	-	-
Ediciones Castillo, SA de C.V.							
	2020	136	(6)	-	-	131	-
	2019	114	-	-	-	113	-
Macmillan Publishers, SA de C.V.							
	2020	160	(9)	-	-	156	-
	2019	180	-	-	-	178	-
Editorial Estrada S.A.							
	2020	14	(4)	-	-	130	-
	2019	31	(3)	-	-	120	-
Editorial Puerto de Palos SA							
	2020	14	(4)	-	-	112	-
	2019	25	(2)	-	-	102	-
Macmillan Publishers SA (Argentina)							
	2020	25	(4)	-	-	123	-
	2019	30	(2)	-	-	102	-

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

16. Related party disclosures (continued)

	<i>Income from related parties</i>	<i>Expenses with related parties</i>	<i>Interest received from related parties</i>	<i>Interest paid to related parties</i>	<i>Amounts owed from related parties</i>	<i>Amounts owed to related parties</i>
	£000	£000	£000	£000	£000	£000
Macmillan do Brasil Editora, Comercializadora, Importadora e Distribuidora Ltda.						
2020	75	(2)	-	-	69	-
2019	87	(1)	-	-	83	-
Macmillan Publishers S.A.S (Colombia)						
2020	6	-	-	-	-	-
2019	18	(1)	-	-	18	-
Macmillan Publishers SA (Peru)						
2020	47	(1)	-	-	-	-
2019	44	-	-	-	-	-
Others						
2020	26	-	-	-	67	17
2019	35	-	-	-	71	16
Total:						
2020	7,951	(31)	1922	(2,912)	113,657	53,508
2019	6,749	(13)	778	(3,267)	114,034	53,184

Terms and conditions of transactions with related parties

Sales to and purchases from related parties are made at normal market prices. Outstanding balances at year end are unsecured. For the year ended 31 December 2020, the Company has not raised any provision for doubtful debts relating to amounts owed by related parties as the payment history has been excellent (2019: £Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The ultimate parent

The directors consider the ultimate parent undertaking and controlling party to be Springer Nature AG & Co. KGaA, Berlin which is a company incorporated in Germany (registered address: Heidelberger Platz 3, 14197 Berlin, Germany).

Immediate Holding company

Springer Nature Publishers Holdings Limited

Springer Nature Publishers Holdings Limited owns 100% of the ordinary shares in Springer Nature Holdings Limited (2019: 100%). Copies of the financial statements are available from Companies House, Crown Way, Cardiff.

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

17. Financial risk management*Objectives and policies*

The Company's principal financial instruments comprise of cash.

It is, and has been throughout the year under review, the Company's policy that no trading in financial instruments shall be undertaken.

The main risk arising from the Company's financial instruments is liquidity risk. The board reviews and agrees the policy for managing the risk and this is summarised below. The Company also monitors the market price arising from all financial instruments.

Interest rate risk

The Company's exposure to market risk for changes in interest rates relates primarily to the Company's long-term debt obligations. The majority of the Company's long term debt obligations are funded through the Company's ultimate holding company. Banking facilities at the level of the Company and its subsidiaries are arranged mainly by means of uncommitted credit facilities in order to manage the Company's working capital funding requirements. Management of the interest rate exposure on long-term debt obligations is undertaken at the level of the Company's ultimate holding company.

Liquidity risk

Long term Company financial facilities are arranged at the level of the Company's ultimate holding company. The Company maintains adequate short and medium term credit facilities with its banks to fund forecast working capital requirements.

The table below summarises the maturity profile of the Company's financial liabilities at 31 December 2020 and 2019 based on contractual payments.

Year ended 31 December 2020	<i>Within 1 Year</i>	<i>1 to 5 Years</i>	<i>More than 5 Years</i>	<i>Total</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Non-derivative financial liabilities				
Other non-current liabilities	-	-	1,008	1,008
Lease liabilities	2,200	29,958	-	32,158
Trade and other payables	54,110	-	-	54,110
Total	56,310	29,958	1,008	87,276

Springer Nature Holdings Limited

Notes to the financial statements

for the year ended 31 December 2020 (continued)

17. Financial risk management (continued)

Year ended 31 December 2019	<i>Within 1 Year</i>	<i>1 to 5 Years</i>	<i>More than 5 Years</i>	<i>Total</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Non-derivative financial liabilities				
Other non-current liabilities	-	-	959	959
Lease liabilities	3,768	33,716	-	37,484
Trade and other payables	53,872	-	-	53,872
Total	57,640	33,716	959	92,315

The Company is not considered to be materially exposed to foreign currency, interest rate or credit risks.

Fair value of recognised financial instruments

In respect of cash and cash equivalents, trade and other receivables, trade and other payables, the carrying amounts approximate fair value due to the relatively short term nature of these financial instruments.