Registered number: 11707488

DNEG PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

DNEG PLC

COMPANY INFORMATION

Directors	N Malhotra C R Pflug V Rathee
Company secretary	Link Company Matters Limited
Registered number	11707488
Registered office	160 Great Portland Street Fitzrovia London W1W 5QA
Independent auditor	CLA Evelyn Partners Limited Chartered Accountants & Statutory Auditor 45 Gresham Street London EC2V 7BG

DNEG PLC

CONTENTS

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The directors present their Strategic Report for the year ended 31 March 2022. DNEG Plc ("the Company") is a public limited company incorporated and domiciled in England and Wales.

Business review

The principal activity of the Company is providing intergroup management support.

During the year, the Company wrote back excess liabilities accrued in the previous year of £0.5 million towards a secured bond offering.

Principal risks and uncertainties

The Company does not have significant risks as the principal activity is providing intergroup management support.

General risks include economic downturn and currency fluctuations. Risks relating to a local economic downturn are relatively low due to the nature of the Company's activities. The Company has limited foreign currency exposure. The Company has little cross-border transactions with the European Union and consequently does not expect Brexit to have a significant impact on the results.

Development and performance of the Company

The Company provides intergroup management support to the group companies.

During the year, the Company wrote back excess liabilities accrued in the previous year of £0.5 million towards a secured bond offering.

The directors do not intend to make any substantial changes in the direction or strategy of the business in the short to medium term.

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

The Company's directors consider, both individually and together, that they have acted in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders. They have also considered the Company's other stakeholders and matters set out in section 172(1) (a) to (f) of the Companies Act 2006 in the decisions taken during the financial year ended 31 March 2021. In doing the duties, the directors must have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with customers, suppliers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company

The board fully understands its duty under section 172(1) of the Companies Act, 2006 to ensure they promote the success of the Company for the benefits of its members. The board is aware of all stakeholder interests, and as such takes a long-term view in making key decisions, and when such decisions are taken, the board acts in the interests of such shareholders and ensures all stakeholders are treated fairly.

Decisions made by the Company's directors are in line with Prime Focus World NV group's strategic priorities and code of conduct. The key decisions made at the Company level include approving the annual financial statements and dividend distribution during the board meetings.

Future developments

The directors expect the general level and focus of activity of the Company to remain consistent in the forthcoming year in terms of the intergroup management support.

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

V Rathee
Director

Date: 22/12/2022

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report and the financial statements for the year ended 31 March 2022.

The Company has chosen, in accordance with section 414C(11) of the Companies Act 2006, and as noted in this Directors' Report, to include certain matters in its Strategic Report that would otherwise be disclosed in this Directors' Report. An indication of likely future developments may be found in the Strategic Report.

Principal activity

The nature of the Company's operations and its principal activity is providing intergroup management support.

General information

DNEG Plc (the Company) is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on the Company Information page. The nature of the Company's operations and its principal activity is providing intergroup management support.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC) incorporating the Amendments to FRS 101 issued by the FRC in July 2015 other than those relating to legal changes and has not applied the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 that are effective for accounting periods beginning on or after 1 January 2016.

Business review

Durng the prior year, the Company accrued costs of £2.0 million towards a secured bond offering, which was postponed considering market uncertainty. In this year, the Company wrote back excess liabilities accrued in the previous year of £0.5 million.

Creditor payment policy

It is the Company's policy to pay all creditors promptly as payments fall due.

Our partners and customers

The Company upholds the highest standards in our relationship with customers, suppliers and stakeholders. A relationship of service and trust is vital to our success as a company.

Results and dividends

The profit for the year, after taxation, amounted to £536,255 *(2021 - loss of £2,194,943)*.

No dividends were paid during the year and the directors did not recommend the payment of a dividend for the year *(2021 - £Nil)*.

Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue to meet its liabilities as they fall due.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for twelve months from the date of signing the accounts. The directors have considered all the factors likely to affect its future development, performance, and its financial position. The directors, having assessed the responses of the directors of the Company's fellow subsidiary Prime Focus World NV to their enquiries and having received a letter of support, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern or its ability to continue with the current banking arrangements.

Directors

The directors who served during the year were:

N Malhotra
C R Pflug
V Rathee

Basis of preparation

The Company's financial statements have been presented on a going concern basis, which contemplates the realisation of assets and the satisfaction of liabilities in the normal course of business.

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of comparative information in respect of certain assets, preparation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions.

Disclosure of information to auditor

So far as the directors are aware, there is no relevant audit information of which the auditor is unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor is aware of that information pursuant to s418 of the Companies Act 2006.

Auditor

The auditor, CLA Evelyn Partners Limited (formerly, Nexia Smith & Williamson), will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

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

V Rathee
Director

Date: 22/12/2022

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OFDNEG PLC

Opinion

We have audited the financial statements of DNEG PLC (the 'Company') for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual 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 Annual 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 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.

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 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, 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 6, 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.

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:

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements and which are central to the Company's ability to conduct its business and where failure to comply could result in material penalties. The Company must abide by the Companies Act 2006 and FRS 101 in respect of the preparation and presentation of the financial statements. Aside from this, we did not identify any specific laws and regulations as being of significance in the context of the Company.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- We enquired with the Company's management as to the existence of litigation and no material items were identified;
- We have reviewed legal correspondence throughout the year, and nothing has come to light in respect of non-compliance; and
- We obtained written management representations regarding disclosure of any non-compliance with laws and regulations.

The senior statutory auditor led a discussion with all members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. We also considered performance targets and their influence on efforts made by management to meet external pressures in reporting the financial results or for personal interest of the directors.

Audit procedures performed by the engagement team on the areas where fraud might occur included:

- Evaluation of the design effectiveness of management's controls designed to prevent and detect irregularities;
- Testing journal entries, selected based on specific risk assessments applied based on client processes and controls surrounding manual journals;

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OFDNEG PLC

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.

Nicholas Jacques
Nicholas Jacques (Dec 22, 2022 14:58 GMT)

Nicholas Jacques (Senior Statutory Auditor)

for and on behalf of
CLA Evelyn Partners Limited

Chartered Accountants
Statutory Auditor

45 Gresham Street
London
EC2V 7BG
Date: 22/12/2022

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	*2021* *£*
Turnover		-	*171,730*
Gross profit		-	*171,730*
Administrative expenses		**536,255**	*(2,328,603)*
Other operating charges		-	*(38,070)*
Operating profit/(loss)		**536,255**	*(2,194,943)*
Profit/(loss) for the financial year		**536,255**	*(2,194,943)*

The Company has not traded during the year. During this period, the Company received no income and incurred no expenditure other than exempted payments under the provisions of section 1169 (3)(b) of the Companies Act 2006.

DNEG PLC
REGISTERED NUMBER11707488

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note		2022 £		*2021 £*
Current assets					
Debtors: amounts falling due within one year	7	54,015		*52,658*	
		54,015		*52,658*	
Creditors: amounts falling due within one year	8	(1,712,703)		*(2,247,601)*	
Net current liabilities			(1,658,688)		*(2,194,943)*
Net liabilities			(1,658,688)		*(2,194,943)*
Capital and reserves					
Called up share capital			-		-
Profit and loss account			(1,658,688)		*(2,194,943)*
Shareholders' deficit			(1,658,688)		*(2,194,943)*

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

V Rathee
Director

Date: 22/12/2022

The notes on pages 14 to 22 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2020	-	-	-
Comprehensive loss for the year			
Loss for the year	-	(2,194,943)	(2,194,943)
At 1 April 2021	-	(2,194,943)	(2,194,943)
Comprehensive income for the year			
Profit for the year	-	536,255	536,255
At 31 March 2022	-	(1,658,688)	(1,658,688)

1. General information

DNEG PLC is a public company, limited by shares, domiciled and incorporated in England and Wales (registered number: 11707488). The registered office address is 160 Great Portland Street, Fitzrovia, London, W1W 5QA.

The Company's functional and presentational currency is GBP.

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 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IAS 7 Statement of Cash Flows

2.3 New and amended Standards and Interpretations issued but not effective for the financial year beginning 1 April 2022

IFRS 17 (including the June 2020 and December 2021 amendments to IFRS 17) - Insurance Contracts
Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to IAS 1 - Classification of Liabilities as Current or Non-current
Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies
Amendments to IAS 8 - Definition of Accounting Estimates
Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

2. Accounting policies (continued)

2.4 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue to meet its liabilities as they fall due.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for twelve months from the date of signing the accounts. The directors have considered all the factors likely to affect its future development, performance, and its financial position. The directors, having assessed the responses of the directors of the Company's fellow subsidiary Prime Focus World NV to their enquiries and having received a letter of support, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern or its ability to continue with the current banking arrangements.

2.5 Equity instruments

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

2.6 Redeemable preference shares

Preference shares, which are mandatorily redeemable and classified as liabilities.

2. Accounting policies (continued)

2.7 Financial instruments

(i) Financial assets

Initial recognition and measurement

The Company determines the classification of its financial assets at initial recognition.

Trade debtors are held in order to collect the contractual cash flows and are initially measured at the transaction price as defined in IFRS 15, as the contracts of the Company do not contain significant financing components. Impairment losses are recognised based on lifetime expected credit losses in the income statement.

Other debtors are held in order to collect the contractual cash flows and accordingly are measured at initial recognition at fair value, which ordinarily equates to cost and are subsequently measured at cost less impairment due to their short-term nature. A provision for impairment is established based on 12-month expected credit losses unless there has been a significant increase in credit risk when lifetime expected credit losses are recognised. The amount of any provision is recognised in the income statement. The Company's financial assets include cash and short-term assets, trade and other debtors and loan notes.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in the finance revenue in the income statement. Losses arising from impairment are recognised in the income statement in other operating expenses.

2. Accounting policies (continued)

Financial instruments (continued)

(ii) Financial liabilities

Initial recognition and measurement

Finance liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit and loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. 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, plus directly attributable transaction costs.

De-recognition of financial liabilities

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where an existing 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 a de-recognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in the income statement.

Offsetting of financial liabilities

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2. Accounting policies (continued)

2.8 Taxation

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 operates and generates 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

2.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Auditor's remuneration

	2022 **£**	*2021* *£*
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	-	*20,000*

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

4. Employees

Staff costs, including directors' remuneration, were as follows:

	2022 £	*2021 £*
Wages and salaries	6,340	*116,687*
Social security costs	-	*16,973*
	6,340	*133,660*

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

	2022 No.	*2021 No.*
Directors	3	*6*
Employees	-	*1*
	3	*7*

5. Directors' remuneration

	2022 £	*2021 £*
Directors' emoluments	-	*99,160*

6. Taxation

6. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than *(2021 -lower than)* the standard rate of corporation tax in the UK of 19% *(2021 - 19%)*. The differences are explained below:

	2022 £	*2021 £*
Profit/(loss) on ordinary activities before tax	**536,255**	*(2,194,943)*
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 -19%)	**101,888**	*(417,039)*
Effects of:		
Movement in unrecognised deferred tax	**(101,888)**	*417,039*
Total tax charge for the year	-	-

Factors that may affect future tax charges

The Company has carried forward tax losses of £1.7 million (£2.2 million); as these tax losses are not recognised in the financial statements, any future use or recognition of these will reduce future tax charges.

7. Debtors

	2022 £	*2021* *£*
Receivables due from related parties	50,000	*50,000*
VAT receivable	4,015	*2,658*
	54,015	*52,658*

Receivables due from related parties pertains to outstanding from immediate holding company and fellow subsidiary and bears no interest.

8. Creditors: Amounts falling due within one year

	2022 £	*2021* *£*
Trade payables	235,209	*1,506,951*
Payables due to related parties	1,427,494	*690,650*
Redeemable preference shares	50,000	*50,000*
	1,712,703	*2,247,601*

Payables due to related parties pertains to outstanding towards fellow subsidiary and bears no interest.

50,000 redeemable non-voting preference shares were issued on 30 August 2019 for £50,000. The shares have attached to them no rights to receive any profits of the Company. In the event of a winding up, the assets of the Company available for distribution shall be applied first in repaying the holder of the redeemable preference shares the amount paid up on those shares. The shares are redeemable at the option of either the Company or the holder.

9. Financial instruments

Credit risk

The Company's credit risk is attributable to its receivables due from related parties. No provision is made for expected credit losses.

10. Share capital

The Company has authorised and issued share capital of 1 Ordinary share with a nominal value of £0.01 (classed as equity) and 50,000 redeemable non-voting preference shares of £1.00 classed as liabilities (see note 8 for details of the rights attaching to the shares)..

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Reserves

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

12. Related party transactions

The Company has taken advantage of the exemption in IAS 24 to not disclose transactions with wholly owned group entities.

13. Controlling party

The immediate parent undertaking is Prime Focus World NV, a company registered in the Netherlands.

The ultimate parent undertaking is Prime Focus Limited, a company registered in India.

The smallest group of undertakings for which group accounts for the year ended 31 March 2022 have been drawn up, is that headed by Prime Focus World NV. Copies of the group accounts are available from Basisweg 10, Amsterdam, 1043AP, Netherlands.

The largest group of undertakings for which group accounts for the year ended 31 March 2022 have been drawn up, is that headed by Prime Focus Limited. Copies of the group accounts are available from Prime Focus House, Opp Citi Bank, Linkin Road, Khar (West), Mumbai, Maharashtra, India 400052.

The ultimate controlling party is Prime Focus Limited.