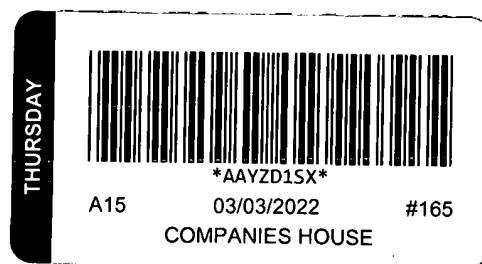


REGISTERED NUMBER: 05983680 (England and Wales)

IKinema Limited

Report of the Director and

Financial Statements for the Year Ended 30 June 2021



IKinema Limited (Registered number: 05983680)

**Contents of the Financial Statements
for the Year Ended 30 June 2021**

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IKinema Limited

Company Information
for the Year Ended 30 June 2021

DIRECTOR: P R Denwood

SECRETARY: Abogado Nominees Limited

REGISTERED OFFICE: 100 New Bridge Street
London
EC4V 6JA

REGISTERED NUMBER: 05983680 (England and Wales)

SENIOR STATUTORY AUDITOR: Nicholas Dodd BA FCA

AUDITORS: Hughes Waddell
Chartered Accountants and Statutory Auditors
The White House
2 Meadow
Godalming
Surrey
GU7 3HN

IKinema Limited (Registered number: 05983680)

Report of the Director
for the Year Ended 30 June 2021

The director presents his report with the financial statements of the company for the year ended 30 June 2021.

The director's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemptions. The director has taken advantage of the small companies' exemptions in accordance with sections 414B, the requirement to prepare a strategic report, and 415A of the Companies Act 2006.

PRINCIPAL ACTIVITY

The principal activity of the company was that of animation and software development for the gaming and other industries.

DIVIDENDS

No dividends will be distributed for the year ended 30 June 2021.

DIRECTOR

P R Denwood held office during the whole of the period from 1 July 2020 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:


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

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Director and authorised for issue on ~~28 February 2022~~ 28 February 2022


.....
P R Denwood
Director

Report of the Independent Auditors to the Members of IKinema Limited

Opinion

We have audited the financial statements of IKinema Limited (the 'company') for the year ended 30 June 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, 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 director's 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 director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If 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 Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Director has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of IKinema Limited

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 Report of the Director.

We have nothing to report in respect of the following matters where 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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:

Based on our understanding of the company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls).

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and evaluating whether there was evidence of bias by the Director that represents a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, 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.

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

Report of the Independent Auditors to the Members of
IKinema Limited

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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nicholas Dodd BA FCA (Senior Statutory Auditor)
for and on behalf of Hughes Waddell
Chartered Accountants and Statutory Auditors
The White House
2 Meadow
Godalming
Surrey
GU7 3HN

Date: 28 February 2012

IKinema Limited (Registered number: 05983680)

Statement of Comprehensive Income
for the Year Ended 30 June 2021

	Notes	30.6.21 £	£	30.6.20 £	£
TURNOVER			(47,984)		69,672
Administrative expenses			<u>105,840</u>		<u>1,620,707</u>
OPERATING (LOSS)/PROFIT	4		(153,824)		(1,551,035)
Income from the disposal of intangible assets		-		18,505,265	
Interest receivable and similar income		<u>74,995</u>		<u>52,558</u>	
			<u>74,995</u>		<u>18,557,823</u>
			(78,829)		17,006,788
Interest payable and similar expenses	5		<u>9,890</u>		<u>-</u>
(LOSS)/PROFIT BEFORE TAXATION			(88,719)		17,006,788
Tax on (loss)/profit	6		<u>14,249</u>		<u>3,521,031</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR			(102,968)		13,485,757
OTHER COMPREHENSIVE INCOME			<u>-</u>		<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			<u>(102,968)</u>		<u>13,485,757</u>


The notes form part of these financial statements

IKinema Limited (Registered number: 05983680)

Balance Sheet
30 June 2021

	Notes	30.6.21 £	30.6.20 £
CURRENT ASSETS			
Debtors	7	14,693,500	15,062,533
Cash at bank		<u>32,765</u>	<u>103,712</u>
		14,726,265	15,166,245
CREDITORS			
Amounts falling due within one year	8	<u>47,221</u>	<u>384,233</u>
NET CURRENT ASSETS		<u>14,679,044</u>	<u>14,782,012</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>14,679,044</u>	<u>14,782,012</u>
CAPITAL AND RESERVES			
Called up share capital	10	105	105
Share premium	11	4,996	4,996
Retained earnings	11	<u>14,673,943</u>	<u>14,776,911</u>
SHAREHOLDERS' FUNDS		<u>14,679,044</u>	<u>14,782,012</u>

The financial statements were approved by the director and authorised for issue on28 February 2022..... and were signed by:


.....
P R Denwood - Director

The notes form part of these financial statements

IKinema Limited (Registered number: 05983680)

Statement of Changes in Equity
for the Year Ended 30 June 2021

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 July 2019	105	1,291,154	4,996	1,296,255
Changes in equity				
Total comprehensive income	<u>-</u>	<u>13,485,757</u>	<u>-</u>	<u>13,485,757</u>
Balance at 30 June 2020	<u>105</u>	<u>14,776,911</u>	<u>4,996</u>	<u>14,782,012</u>
Changes in equity				
Total comprehensive income	<u>-</u>	<u>(102,968)</u>	<u>-</u>	<u>(102,968)</u>
Balance at 30 June 2021	<u><u>105</u></u>	<u><u>14,673,943</u></u>	<u><u>4,996</u></u>	<u><u>14,679,044</u></u>

The notes form part of these financial statements

IKinema Limited (Registered number: 05983680)

Notes to the Financial Statements
for the Year Ended 30 June 2021

1. STATUTORY INFORMATION

IKinema Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

There are no sources of estimated uncertainty that have a significant risk of causing material adjustment to the amounts recognised in the financial statements.

Turnover

Turnover represents net invoiced sales of software and licences, excluding Value Added Tax.

Support costs and licence income is deferred where appropriate.

Interest income is provided when receivable.

Tangible fixed assets

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

Bicycles	- 33% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

2. ACCOUNTING POLICIES - continued

Financial instruments

The financial instruments of the company comprise financial assets, cash and cash equivalents, financial liabilities and equity instruments.

Financial assets

The company's financial assets comprise trade and other receivables. The accounting policy for trade debtors is described in the turnover accounting policy note.

Cash and cash equivalents

Cash and cash equivalents are balances with banks.

Financial liabilities

The company's financial liabilities include trade and other creditors.

Obligations for trade and other creditors are recognised when the company becomes party to the related contracts and are measured initially at the transaction price received less directly attributable transaction costs.

Equity

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

IKinema Limited (Registered number: 05983680)

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

3. EMPLOYEES AND DIRECTORS

	30.6.21	30.6.20
	£	£
Wages and salaries	-	1,137,394
Social security costs	-	120,097
Other pension costs	-	43,782
	<u>-</u>	<u>1,301,273</u>

The average number of employees during the year was as follows:

	30.6.21	30.6.20
Developers and administration	-	18
Directors	-	1
	<u>-</u>	<u>19</u>

In the prior year the average number of employees above only applied to the 3 month period to September 2019 after which time there were none.

	30.6.21	30.6.20
	£	£
Directors' remuneration	<u>-</u>	<u>22,867</u>

4. OPERATING (LOSS)/PROFIT

The operating loss is stated after charging:

	30.6.21	30.6.20
	£	£
Other operating leases	72,648	55,390
Depreciation - owned assets	-	12,326
Loss on disposal of fixed assets	-	13,688
Auditors' remuneration	<u>12,000</u>	<u>12,000</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.6.21	30.6.20
	£	£
HMRC interest	<u>9,890</u>	<u>-</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the loss for the year (2020 – profit for the year) was as follows:

	30.6.21	30.6.20
	£	£
Current tax:		
UK corporation tax	14,249	3,525,871
Overprovision in prior year	<u>-</u>	<u>102</u>
Total current tax	14,249	3,525,973
Deferred tax	<u>-</u>	<u>(4,942)</u>
Tax on (loss)/profit	<u>14,249</u>	<u>3,521,031</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	30.6.21 £	30.6.20 £
(Loss)/profit before tax	<u>(88,719)</u>	<u>17,006,788</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(16,857)	3,231,290
Effects of:		
Expenses not deductible for tax purposes	31,106	-
Movement on deferred tax provision	-	(4,942)
Overprovision in prior year	-	102
Other permanent differences	<u>-</u>	<u>294,581</u>
Total tax charge	<u>14,249</u>	<u>3,521,031</u>

There are no factors affecting future tax charges.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.21 £	30.6.20 £
Other debtors	38,482	50,357
Amount due to parent company	14,647,211	14,997,216
Corporation tax	4,363	-
VAT	1,263	664
Prepayments	<u>2,181</u>	<u>14,296</u>
	<u>14,693,500</u>	<u>15,062,533</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.21 £	30.6.20 £
Trade creditors	3,672	683
Corporation tax	14,249	255,551
Deferred income	17,300	115,999
Accrued expenses	<u>12,000</u>	<u>12,000</u>
	<u>47,221</u>	<u>384,233</u>

IKinema Limited (Registered number: 05983680)

Notes to the Financial Statements - continued
for the Year Ended 30 June 2021

9. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	30.6.21	30.6.20
	£	£
Within one year	<u>-</u>	<u>7,917</u>

10. CALLED UP SHARE CAPITAL

Allotted and issued:

Number:	Class:	Nominal value:	30.6.21	30.6.20
			£	£
1,052,700	Ordinary shares	0.000 1	<u>105</u>	<u>105</u>

11. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 July 2020	14,776,911	4,996	14,781,907
Deficit for the year	<u>(102,968)</u>	<u>-</u>	<u>(102,968)</u>
At 30 June 2021	<u>14,673,943</u>	<u>4,996</u>	<u>14,678,939</u>

12. ULTIMATE PARENT COMPANY

IKinema Limited is a 100% subsidiary of Apple Operations Europe Limited, a company registered in Ireland.

The ultimate parent company is Apple Inc., a company registered in the United States.

Group accounts are available from the following address:

Apple Inc.
One, Apple Park Way,
Cupertino,
California 95014
United States