

REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
FOR
BLACKMAGIC DESIGN (TECHNOLOGY) LIMITED

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for the Year Ended 30 JUNE 2023

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BLACKMAGIC DESIGN (TECHNOLOGY) LIMITED

COMPANY INFORMATION
for the Year Ended 30 JUNE 2023

DIRECTOR: G Petty

REGISTERED OFFICE: Russell House
Oxford Road
Dorset

REGISTERED NUMBER: 07892813 (England and Wales)

AUDITORS: Burnside
Chartered Accountants
and Statutory Auditor
61 Queen Square
Bristol
BS1 4JZ

REPORT OF THE DIRECTOR
for the Year Ended 30 JUNE 2023

The director presents his report with the financial statements of the company for the year ended 30 June 2023.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of engineering services to its parent company.

DIRECTOR

G Petty held office during the whole of the period from 1 July 2022 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), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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;
- 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.

AUDITORS

The auditors, Burnside, will be proposed for re-appointment at the forthcoming Annual General Meeting.

REPORT OF THE DIRECTOR
for the Year Ended 30 JUNE 2023

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

G Petty - Director

3 November 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BLACKMAGIC DESIGN (TECHNOLOGY) LIMITED

Opinion

We have audited the financial statements of Blackmagic Design (Technology) Limited (the 'company') for the year ended 30 June 2023 which comprise the Income Statement, 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 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 30 June 2023 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 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BLACKMAGIC DESIGN (TECHNOLOGY) LIMITED**

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.

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; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BLACKMAGIC DESIGN (TECHNOLOGY) LIMITED**

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

An understanding of the legal and regulatory framework applicable to the entity was obtained from management and those charged with governance of the entity, and the audit engagement team was confirmed to have the appropriate competence and capabilities to identify non-compliance with such a framework.

No significant instances of fraud, non-compliance with laws & regulations or other irregularities were communicated to the engagement team by management or those charged with governance, and no particular audit areas or legislation were identified that gave rise to any significant risks of material misstatement in respect of such irregularities.

Due to the size & nature of the entity its susceptibility to material misstatement resulting from fraud, non-compliance with laws & regulations, or other irregularities is considered to be low, and the audit approach was appropriately planned so as to address this risk.

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.

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.

Mark Pooley (Senior Statutory Auditor)
for and on behalf of Burnside
Chartered Accountants
and Statutory Auditor
61 Queen Square
Bristol
BS1 4JZ

11 December 2023

INCOME STATEMENT
for the Year Ended 30 JUNE 2023

	Notes	2023 £	£	2022 £	£
TURNOVER	3		2,730,791		2,274,462
Cost of sales			2,034,649		1,683,122
GROSS PROFIT			696,142		591,340
Distribution costs		-		4,988	
Administrative expenses		498,756		410,293	
			498,756		415,281
			197,386		176,059
Other operating income			45		5,954
OPERATING PROFIT			197,431		182,013
Interest payable and similar expenses	5		6,850		9,252
PROFIT BEFORE TAXATION	6		190,581		172,761
Tax on profit	7		(153,081)		(71,011)
PROFIT FOR THE FINANCIAL YEAR			343,662		243,772

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
for the Year Ended 30 JUNE 2023

	Notes	2023 £	2022 £
PROFIT FOR THE YEAR		343,662	243,772
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>343,662</u>	<u>243,772</u>

BALANCE SHEET
30 JUNE 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible assets	8		302,919		482,774
CURRENT ASSETS					
Debtors	9	1,646,750		1,207,779	
Cash at bank		35,377		101,091	
		<u>1,682,127</u>		<u>1,308,870</u>	
CREDITORS					
Amounts falling due within one year	10	<u>332,179</u>		<u>362,927</u>	
NET CURRENT ASSETS			<u>1,349,948</u>		<u>945,943</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,652,867</u>		<u>1,428,717</u>
CREDITORS					
Amounts falling due after more than one year	11		(153,098)		(269,254)
PROVISIONS FOR LIABILITIES	14		<u>(7,241)</u>		<u>(10,597)</u>
NET ASSETS			<u><u>1,492,528</u></u>		<u><u>1,148,866</u></u>
CAPITAL AND RESERVES					
Called up share capital	15		2		2
Retained earnings	16		<u>1,492,526</u>		<u>1,148,864</u>
SHAREHOLDERS' FUNDS			<u><u>1,492,528</u></u>		<u><u>1,148,866</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the director and authorised for issue on 3 November 2023 and were signed by:

G Petty - Director

STATEMENT OF CHANGES IN EQUITY
for the Year Ended 30 JUNE 2023

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2021	2	905,092	905,094
Changes in equity			
Total comprehensive income	-	243,772	243,772
Balance at 30 June 2022	2	1,148,864	1,148,866
Changes in equity			
Total comprehensive income	-	343,662	343,662
Balance at 30 June 2023	2	1,492,526	1,492,528

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 JUNE 2023

1. STATUTORY INFORMATION

Blackmagic Design (Technology) 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.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The director has considered the operations of the company and its financial position, and considers that it is reasonable for him to believe that the company will be operating 12 months from the date of the approval of the accounts. The accounts have therefore been prepared on the going concern basis.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 JUNE 2023

2. ACCOUNTING POLICIES - continued

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of paragraph 24(6) of IFRS 6 Exploration for and Evaluation of Mineral Resources;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
 - the requirements of paragraph 58 of IFRS 16;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 74(b) of IAS 16;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

First-time adoption of financial reporting standard 101 (frs 101)

The company is eligible to adopt FRS 101 as its parent company prepares consolidated accounts that are prepared under International Financial Reporting Standards (IFRS). The company is included in this consolidation. The parent company's consolidated accounts are publicly available from the Australian Securities and Investment Commission.

The director made the decision to adopt IFRS and FRS 101 for the first time for the comparative year ended 30 June 2020, so that the company's accounts can be more easily consolidated into its parent company's accounts.

No prior period adjustments were required as a result of the transition.

Turnover

Turnover represents engineering services to provide research and development to the company's parent company. The income is recognised as the services are provided.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 JUNE 2023**2. ACCOUNTING POLICIES - continued****Tangible fixed assets**

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

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

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Employee benefit costs

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

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

4. EMPLOYEES AND DIRECTORS

	2023	2022
	£	£
Wages and salaries	1,504,163	1,151,803
Social security costs	158,828	111,767
Other pension costs	87,690	72,582
	<u>1,750,681</u>	<u>1,336,152</u>

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

	2023	2022
Software engineers	<u>25</u>	<u>20</u>

	2023	2022
	£	£
Director's remuneration	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 JUNE 2023**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2023	2022
	£	£
Bank interest	10	-
Lease interest	6,840	9,252
	<u>6,850</u>	<u>9,252</u>

6. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging/(crediting):

	2023	2022
	£	£
Cost of inventories recognised as expense	2,034,649	1,683,122
Depreciation - owned assets	195,959	184,269
Auditors' remuneration	6,000	6,640
Foreign exchange differences	(887)	(329)
Aggregate costs to undertake research and development, including staff costs	<u>1,453,456</u>	<u>1,245,427</u>

7. TAXATION**Analysis of tax income**

	2023	2022
	£	£
Current tax:		
Tax	(119,911)	(71,079)
Tax for previous years	(29,814)	-
Total current tax	<u>(149,725)</u>	<u>(71,079)</u>
Deferred tax	(3,356)	68
Total tax income in income statement	<u>(153,081)</u>	<u>(71,011)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 JUNE 2023**7. TAXATION - continued****Factors affecting the tax expense**

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

	2023	2022
	£	£
Profit before income tax	<u>190,581</u>	<u>172,761</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20.500% (2022 - 19%)	39,069	32,825
Effects of:		
Items of expenditure permanently disallowed	8,719	29,101
Tax affect of Research and Development tax credit	(170,380)	(131,143)
Super deduction on asset additions	(675)	(1,794)
Tax adjustments for previous years	(29,814)	-
Tax income	<u>(153,081)</u>	<u>(71,011)</u>

8. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 July 2022	656,575	34,000	181,605	872,180
Additions	-	918	15,186	16,104
At 30 June 2023	<u>656,575</u>	<u>34,918</u>	<u>196,791</u>	<u>888,284</u>
DEPRECIATION				
At 1 July 2022	229,580	29,914	129,912	389,406
Charge for year	159,406	2,299	34,254	195,959
At 30 June 2023	<u>388,986</u>	<u>32,213</u>	<u>164,166</u>	<u>585,365</u>
NET BOOK VALUE				
At 30 June 2023	<u>267,589</u>	<u>2,705</u>	<u>32,625</u>	<u>302,919</u>
At 30 June 2022	<u>426,995</u>	<u>4,086</u>	<u>51,693</u>	<u>482,774</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 JUNE 2023

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	1,339,929	971,000
Other debtors	89,630	100,641
Prepayments	67,466	65,059
Tax	149,725	71,079
	<u>1,646,750</u>	<u>1,207,779</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Leases (see note 12)	118,298	136,398
Trade creditors	43,926	60,768
Tax	10,225	10,225
Accrued expenses	159,730	155,536
	<u>332,179</u>	<u>362,927</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Leases (see note 12)	133,098	249,254
Other creditors	20,000	20,000
	<u>153,098</u>	<u>269,254</u>

12. FINANCIAL LIABILITIES - BORROWINGS

	2023	2022
	£	£
Current:		
Leases (see note 13)	<u>118,298</u>	<u>136,398</u>
Non-current:		
Leases (see note 13)	<u>133,098</u>	<u>249,254</u>

Terms and debt repayment schedule

	1 year or less	1-2 years	Totals
	£	£	£
Leases	<u>118,298</u>	<u>133,098</u>	<u>251,396</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 JUNE 2023**13. LEASING****Lease liabilities**

Minimum lease payments fall due as follows:

	2023	2022
	£	£
Gross obligations repayable:		
Within one year	122,730	143,427
Between one and five years	135,329	255,917
	<u>258,059</u>	<u>399,344</u>
Finance charges repayable:		
Within one year	4,432	7,029
Between one and five years	2,231	6,663
	<u>6,663</u>	<u>13,692</u>
Net obligations repayable:		
Within one year	118,298	136,398
Between one and five years	133,098	249,254
	<u>251,396</u>	<u>385,652</u>

14. PROVISIONS FOR LIABILITIES

	2023	2022
	£	£
Deferred tax		
Accelerated capital allowances	<u>7,241</u>	<u>10,597</u>
		Deferred tax
		£
Balance at 1 July 2022		10,597
Credit to Income Statement during year		<u>(3,356)</u>
Balance at 30 June 2023		<u>7,241</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 JUNE 2023**15. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2022 £
2	Ordinary	2	<u>2</u>	<u>2</u>

16. RESERVES

	Retained earnings £
At 1 July 2022	1,148,864
Profit for the year	343,662
At 30 June 2023	<u>1,492,526</u>

17. RELATED PARTY DISCLOSURES

The company sold engineering services to Blackmagic Design PTY Limited, its parent company, for the sum of £2,543,500 (2022 - £2,123,000) during the year. At the year end the company was owed £1,319,702 (2022 - £971,000) by its parent company in respect of these services.

The company sold engineering services to Blackmagic Design Technology Pte Ltd, a subsidiary company of Blackmagic Design PTY Limited, for the sum of £187,659 (2022 - £151,462). At the year end the company was owed £20,227 (2022 - £nil) by Blackmagic Design Technology Pte Ltd in respect of these services.

18. ULTIMATE CONTROLLING PARTY

The company is controlled by its parent company and ultimate parent company, Blackmagic Design PTY Limited, a company incorporated in Australia. the parent company's registered office is:

11 Gateway Court
Port Melbourne VIC 3207
Australia

The company's accounts are consolidated in the accounts of Blackmagic Design PTY Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.