

ATOMIZED STUDIOS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

ATOMIZED STUDIOS LIMITED

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ATOMIZED STUDIOS LIMITED
REGISTERED NUMBER:10471166

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible fixed assets	5	4,983	9,450
Tangible fixed assets	6	92,768	57,222
		<u>97,751</u>	<u>66,672</u>
Current assets			
Debtors: amounts falling due within one year	7	1,215,612	2,065,979
Cash at bank and in hand		1,683,398	1,511,516
		<u>2,899,010</u>	<u>3,577,495</u>
Current liabilities			
Creditors: amounts falling due within one year	8	(1,309,338)	(1,672,728)
Net current assets		<u>1,589,672</u>	<u>1,904,767</u>
Net assets		<u><u>1,687,423</u></u>	<u><u>1,971,439</u></u>
Capital and reserves			
Called up share capital	9	4	4
Profit and loss account		1,687,419	1,971,435
		<u><u>1,687,423</u></u>	<u><u>1,971,439</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 September 2023.

Z D Rogers
Director

ATOMIZED STUDIOS LIMITED

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

1. General information

Atomized Studios Limited is a private limited liability company incorporated in England and Wales, with its registered office address at 1 Stephen Street, London, W1T 1AL.

The principal activity of the Company continued to be that of content production for both broadcast media and the web.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover comprises revenue recognised by the Company in respect of services supplied during the year, exclusive of Value Added Tax.

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract.

2.3 Intangible assets

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

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

The estimated useful lives range as follows:

Website development	-	3 years straight line
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2.4 Tangible fixed assets

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

ATOMIZED STUDIOS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Motor vehicles	- 20% - Straight line.
Fixtures and fittings	- 25% - 33% Straight line.

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.5 Research and development

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

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

2.6 Interest income

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

2.7 Finance costs

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

2.8 Exceptional items

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

2.9 Debtors

Short term debtors are measured at the transaction price less any impairment.

ATOMIZED STUDIOS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.10 Cash and cash equivalents

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

2.11 Creditors

Short term creditors are measured at the transaction price.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, and loans to related parties.

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is £ Sterling.

Transactions and balances

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

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

2.14 Dividends

Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.15 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

ATOMIZED STUDIOS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.16 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.

3. Employees

The average monthly number of employees, including directors, during the year was 31 (2021 - 22).

4. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	<u>91,624</u>	<u>139,549</u>

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 on ordinary activities before tax	<u>547,608</u>	<u>739,599</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	104,046	140,524
Effects of:		
Expenses not deductible for tax purposes	(2,851)	377
Capital allowances for year in excess of depreciation	(10,449)	(713)
Short term timing difference leading to an increase/(decrease) in taxation	878	(639)
Total tax charge for the year	<u>91,624</u>	<u>139,549</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

ATOMIZED STUDIOS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Intangible assets

	Website development £
Cost	
At 1 January 2022	20,600
	<hr/>
	20,600
At 31 December 2022	<hr/>
Amortisation	
At 1 January 2022	11,150
Charge for the year on owned assets	4,467
	<hr/>
	15,617
At 31 December 2022	<hr/>
Net book value	
At 31 December 2022	<u>4,983</u>
At 31 December 2021	<u>9,450</u>

ATOMIZED STUDIOS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Tangible fixed assets

	Motor vehicles	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 January 2022	59,985	24,118	84,103
Additions	-	64,808	64,808
Disposals	-	(2,272)	(2,272)
	<hr/>	<hr/>	<hr/>
At 31 December 2022	59,985	86,654	146,639
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 2022	8,998	17,883	26,881
Charge for the year on owned assets	11,997	15,844	27,841
Disposals	-	(851)	(851)
	<hr/>	<hr/>	<hr/>
At 31 December 2022	20,995	32,876	53,871
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 December 2022	<u>38,990</u>	<u>53,778</u>	<u>92,768</u>
At 31 December 2021	<u>50,987</u>	<u>6,235</u>	<u>57,222</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Debtors

	2022 £	2021 £
Trade debtors	325,445	703,224
Amounts owed by group undertakings	528,353	913,602
Other debtors	108	78,319
Prepayments and accrued income	361,706	370,834
	<u>1,215,612</u>	<u>2,065,979</u>

8. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	112,691	176,587
Amounts owed to group undertakings	20,833	39,190
Corporation tax	77,370	99,434
Other taxation and social security	147,776	113,244
Other creditors	12,387	175,090
Accruals and deferred income	938,281	1,069,183
	<u>1,309,338</u>	<u>1,672,728</u>

9. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
4 (2021 - 4) Ordinary shares of £1.00 each	<u>4</u>	<u>4</u>

10. Controlling party

On 22 June 2022, the Company became a subsidiary of Freuds Group Limited, a company registered in England and Wales. The Directors regard Freud 3.0 Limited, a company registered in England and Wales, as the ultimate parent undertaking.

Freud 3.0 Limited, is the parent company of the largest and the smallest group for which group financial statements are drawn up. Copies of the consolidated financial statements are available from the registrar of Companies.

M R Freud, a director of the company, is the ultimate controlling party.

ATOMIZED STUDIOS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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11. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2022 was unqualified.

The audit report was signed on 20 September 2023 by Stephen Iseman FCA (Senior Statutory Auditor) on behalf of Sopher + Co LLP.

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.