

**Company Registered Number: 011335991**

**CURVE GAMES DEVELOPMENT ONE LIMITED**

**ANNUAL REPORT AND  
FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED  
31 DECEMBER 2018**



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**Company Information**

**Period ended 31 December 2018**

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**Directors**

R Haxton  
D Wheatley

**Registered Office**

63 Gee Street  
London  
EC1V 3RS

**Auditor**

Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2A 1AG

**Report of the Directors - period ended 31 December 2018**

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The directors present their report and the audited financial statements for the period ended 31 December 2018.

**Principal Activities, Review of the Business and Future Developments**

Curve Games Development One Limited is a wholly owned subsidiary of Curve Digital Entertainment Limited, (a subsidiary of Catalis plc). Catalis plc is a worldwide service provider for the digital media and entertainment industry.

The principal activity of the Company is the publishing of independent video games on PC and consoles.

The Company was incorporated on 30 April 2018 and presents its first set of accounts for the period ended 31 December 2018.

**Going Concern**

After making appropriate enquiries of the Catalis plc Group (the ultimate parent and controlling party), the Directors have concluded that the Company will continue in operational existence and meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements.

The management board of the Company and all other subsidiaries of Catalis plc have produced budgets and cash flow forecasts which have been used by Catalis plc to forecast cash flows for the Group for the period ending 31 December 2020. The Group's main banking facilities are provided by HSBC Bank plc and the cash flow forecasts demonstrate that the cash flows will provide sufficient resources for the Group to pay its liabilities as and when they become due.

The Group is forecast to generate operating profits and positive cash flows from operating activities and remain in compliance with its bank covenants in the years ending 31 December 2019 and 2020.

The Company has received confirmation from Catalis plc, its ultimate parent undertaking, of its intention to continue to provide financial and other support to the extent necessary to enable the Company to continue to pay its liabilities as and when they become due for a period not less than one year from the date of approval of these financial statements.

On this basis, the directors believe it is appropriate to adopt the going concern assumption in the preparation of these financial statements.

**Report of the Directors - period ended 31 December 2018**

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**Financial risk management objectives and policies**

The Company's activities expose it to a number of financial risks including cash flow risk, liquidity risk and technology risk.

**Cash flow risk** - The Company is supported by its parent company, Curve Digital Publishing Limited and its ultimate parent company, Catalis PLC. Catalis PLC supports the company in its management of day to day working capital and has pledged to continue to do so.

**Liquidity risk** - In order to maintain liquidity to ensure that sufficient funds are available for on-going operations and future developments the Company uses a mixture of cash and intergroup financing.

**Technology risk** - The Company is subject to the risks associated with frequent and rapid technological developments and to changes in the international markets for consumer leisure products and in order to mitigate this risk the Company trains its staff to keep pace with technological advances and continues to invest in its own proprietary technology.

**Qualifying Third Party Indemnity Provisions**

There were no Third Party Indemnity Provisions in place with regard to any of the directors who served in the current or prior year that require disclosure under s234 Companies Act 2006.

**Dividends**

The Directors do not recommend the payment of a dividend for the year (2017: £nil).

**Directors**

The Directors who held office since incorporation and subsequently, unless otherwise stated are:

R Haxton  
D Wheatley

**Statement of Directors Responsibilities**

The directors are responsible for preparing the Annual 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 they have elected to prepare the financial statements in accordance with UK GAAP (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

**Report of the Directors - period ended 31 December 2018**

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**Statement of Directors Responsibilities (continued)**

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 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 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities. In preparing this directors report, advantage has been taken of the small companies' exemption provided by section 415A of the Companies Act 2006.

**Disclosure of Information to Auditor**

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware:

- there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Financial Instruments**

The Company is financed by inter-company debt. The Company did not enter into any hedging arrangements in the year.

**Political contributions**

The Company made no political donations or incurred any political expenditure during the year.

**Auditor**

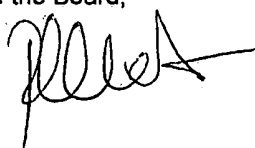
Grant Thornton UK LLP were appointed as auditor on 7 December 2018 and have expressed their willingness to continue in office, a resolution to re-appoint them as auditor will be proposed at the next Annual General Meeting.

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

In preparing this directors' report advantage has been taken of the small companies exemption provided by section 415A of the Companies Act 2006, and in accordance with the provisions of FRS102 Section 1A - small entities.

On behalf of the Board,

R Haxton  
Director  
Date:



18<sup>th</sup> June 2019

**Independent Auditor's Report to the Members of Curve Games Development One Limited - period ended 31 December 2018**

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**Opinion**

We have audited the financial statements of Curve Games Development One Limited (the 'company') for the year ended 31 December 2018, which comprise the statement of comprehensive income, statement of financial position, the 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 31 December 2018 and of its result 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**Independent Auditor's Report to the Members of Curve Games Development One Limited - period ended 31 December 2018**

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**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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**Matter on which we are required to report under the Companies Act 2006**

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 directors' report.

**Matters on which we are required to report by exception**

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on pages 4 and 5, 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.




**Independent Auditor's Report to the Members of Curve Games Development One Limited - period ended 31 December 2018**

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**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 Page  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London

Date:

18/6/19

**Statement of Comprehensive Income**  
**Period ended 31 December 2018**

	Note	2018 £000's
<b>TURNOVER</b>	2	4,741
Cost of sales	3	(4,741)
<b>GROSS PROFIT</b>		-
Administrative expenses		-
<b>OPERATING PROFIT</b>		-
Interest payable and similar charges		-
<b>PROFIT BEFORE TAXATION</b>		-
Taxation	5	-
<b>PROFIT FOR THE YEAR</b>		-
<b>TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR</b>		-

The amounts above all relate to continuing operations.

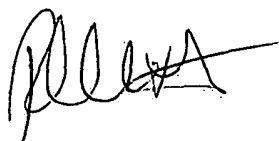
The notes on pages 12 to 16 form part of these financial statements.

**Statement of Financial Position**  
**As at 31 December 2018**

	Note	2018 £000's
<b>CURRENT ASSETS</b>		
Debtors		-
		-
<b>CREDITORS: amounts falling due within one year</b>		-
		-
<b>NET CURRENT ASSETS</b>		-
		-
<b>NET ASSETS</b>		-
		-
<b>CAPITAL AND RESERVES</b>		
Called up share capital		-
Profit and loss account		-
<b>SHAREHOLDERS' FUNDS</b>	6	-

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provision of FRS 102 Section 1A – small entities.

The financial statements were approved by the board of directors and authorised for issue on



R Haxton  
 Director

18<sup>th</sup> June 2019

The notes on pages 11 to 16 form part of these financial statements.

**Statement of Changes in Equity  
As at 31 December 2018**

	<b>Share Capital £000's</b>	<b>Profit and loss account £000's</b>	<b>Total Shareholders' funds £000's</b>
At 30 April 2018	-	-	-
Total comprehensive income for the period	-	-	-
At 31 December 2018	-	-	-

The notes on pages 11 to 16 form part of these financial statements.

**Notes to the Financial Statements - Period ended 31 December 2018**

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**1. ACCOUNTING POLICIES****Basis of accounting**

Curve Games Development One Limited ("the Company") is a private company limited by shares, incorporated and domiciled in England and Wales.

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

These financial statements were prepared in accordance with Section 1A of Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2017. The presentation currency of these financial statements is sterling.

The financial statements contain information about Curve Games Development One Limited as an individual company.

The Company's ultimate parent undertaking, Catalis plc, includes the Company in its consolidated financial statements. The consolidated financial statements of Catalis plc are prepared in accordance with International Financial Reporting Standards as adopted by the EU. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Catalis plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share Based Payments; and
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

There were no judgements or estimates made by the directors, in the application of these accounting policies that have significant effect on the financial statements.

**Critical accounting judgements and key sources of estimation uncertainty**

There are no judgements or estimates that the directors have made in the process of applying the entity's accounting policies and that have a significant impact on the amounts recognised in the financial statements.

**Notes to the Financial Statements - Period ended 31 December 2018**

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**1. ACCOUNTING POLICIES (Continued)****Going Concern**

After making appropriate enquiries of the Catalis plc Group (the ultimate parent and controlling party), the Directors have concluded that the Company will continue in operational existence and meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements.

The management board of the Company and all other subsidiaries of Catalis plc have produced budgets and cash flow forecasts which have been used by Catalis plc to forecast cash flows for the Group for the period ending 31 December 2020. The Group's main banking facilities are provided by HSBC Bank plc and the cash flow forecasts demonstrate that the cash flows will provide sufficient resources for the Group to pay its liabilities as and when they become due.

The Group is forecast to generate operating profits and positive cash flows from operating activities and remain in compliance with its bank covenants in the year ending 31 December 2019 and 2020.

Curve Digital Publishing Limited has received confirmation from Catalis plc, its ultimate parent undertaking, of its intention to continue to provide financial and other support to the extent necessary to enable the Company to continue to pay its liabilities as and when they become due for a period not less than one year from the date of approval of these financial statements.

On this basis, the directors believe it is appropriate to adopt the going concern assumption in the preparation of these financial statements.

**Turnover**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of business. Turnover is shown net of value added tax, returns, rebates and discounts.

Development income represents the income earned in respect of software development services provided during the year based on the degree of progress achieved on each project and is recognised on a percentage of completion method whereby revenue is recognised based on the costs incurred to date as a proportion of the total budgeted project. The costs of sale associated with each project are largely staff costs from fixed contractors employed specifically by project for the expected duration of each project. Turnover is recognised in the accounting periods in which the services are rendered and recognised only when it is probable that the economic benefits associated with the transaction will flow to the Company. Revenues from project related business are usually dependent on the accomplishment of milestones which are accepted and approved by the customer.

**Taxation and Deferred Taxation**

The charge for taxation is based on the result for the year and takes into account deferred taxation. Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the group anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. Deferred tax balances are not discounted.

**Notes to the Financial Statements - Period ended 31 December 2018**

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**1. ACCOUNTING POLICIES (Continued)****Foreign Currencies**

Non-monetary assets, liabilities, revenue and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the date on which transactions occur, monetary assets and liabilities are translated at the rate ruling at the balance sheet date. Differences arising on the translation of such items are recognised in the profit and loss account.

**Basic financial instruments - trade and other debtors/creditors**

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

**Interest-bearing borrowings classified as basic financial instruments**

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

**Video Games tax Relief**

Video Games Tax Relief (VGTR) is a tax relief that supports the development of video games in the UK which was introduced in 2014. VGTR is part of a wider creative sector tax relief which seeks to incentivise investments into UK inventions or productions that may otherwise take place outside of the country, and to promote the long-term sustainability of technology, skills and infrastructure. VGTR is recognised where management believe that a tax credit will be recoverable based on their experience of obtaining the relevant certification and the success of similar historical claims. The Company expects to further benefit from this relief in future periods. To reflect the substance of these credits to the Company, amounts receivable for this tax relief are deducted from cost of sales in the statement of comprehensive income.

## Notes to the Financial Statements - Period ended 31 December 2018

**2. TURNOVER**

	2018 £000's
United Kingdom and Europe	4,741
<b>TURNOVER FOR THE YEAR</b>	<u>4,741</u>

**3. COST OF SALES**

	2018 £000's
Other costs of sales	4,741
	<u>4,741</u>

**4. DIRECTORS' EMOLUMENTS**

Two (2017 – two) of the directors who served during the year were paid by Testronic Laboratories Limited, a fellow group company, and their emoluments are disclosed in the financial statements of that company. The directors do not feel it is practical to apportion their emoluments between group companies. Total remuneration for the year amounted to £556k (2017 - £394k). Two (2017 – two) of the directors who served in the year are members of a defined contribution pension scheme.

The average number of employees is nil.

**5. TAXATION**

	2018 £000's
Corporation tax credit– over provision in prior years	<u>-</u>

The company has tax losses of approximately £nil to carry forward.



## Notes to the Financial Statements - Period ended 31 December 2018

**5. TAXATION (continued)****Factors affecting tax credit for the year**

The tax assessed for the year differs from the standard rate of corporation tax in the UK for the year ended 31 December 2018 of 19%. The differences are explained below:

<b>Reconciliation of current taxation charge</b>	<b>2018 £000's</b>
Profit on ordinary activities before tax	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	-
<b>Current tax credit for the year</b>	<b>-</b>

The substantially enacted tax rate needs to be disclosed. Reductions in the rate of UK Corporation Tax from 23% to 21% (effective from 1 April 2015) and to 20% (from 1 April 2017) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 17% (effective from 1 April 2020) were substantively enacted in the Finance Act 2016.

**6. SHAREHOLDERS FUNDS**

	<b>2018 £</b>
<b>Allotted, Called up and fully paid</b>	
1000 Ordinary Shares of £0.001 each	1

**Called up Share Capital** - The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to 1 vote per share at every meeting of the shareholders of the Company. Called up share capital represents the nominal value of shares that have been issued.

**Profit and loss account** – includes all current and prior period retained profits and losses.

**7. RELATED PARTIES**

The Company has taken the exemption where available in accordance with FRS102 Section 33 not to disclose transactions entered into between two or more members of a group, as the Company is a wholly-owned subsidiary undertaking to the group to which it is party to the transactions. The Company does not identify any other related parties apart from wholly owned subsidiaries or with their parents.

**8. ULTIMATE CONTROLLING PARTY**

The company's immediate parent company is Curve Digital Publishing Limited, a company incorporated in the UK. The company's ultimate parent company is Catalis plc, incorporated in the United Kingdom and privately held. Catalis plc is the parent of both the smallest and largest group into which the results of the Company are consolidated. Catalis plc prepares group financial statements that can be obtained from Suffolk House, George Street, Croydon, CR0 1PE. There is no ultimate controlling party.