

REGISTERED NUMBER: OC314073 (England and Wales)

**REPORT OF THE MEMBERS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020
FOR
INGENIOUS GAMES LLP**



INGENIOUS GAMES LLP (REGISTERED NUMBER: OC314073)

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FOR THE YEAR ENDED 29 FEBRUARY 2020**

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INGENIOUS GAMES LLP

**GENERAL INFORMATION
FOR THE YEAR ENDED 29 FEBRUARY 2020**

DESIGNATED MEMBERS: Hastings Games 1 Limited
Hastings Games 2 Limited

REGISTERED OFFICE: 15 Golden Square
London
W1F 9JG

REGISTERED NUMBER: OC314073 (England and Wales)

ACCOUNTANTS: FLB Accountants LLP
Chartered Accountants & Registered Auditors
250 Wharfedale Road
Winnersh Triangle
Berkshire
RG41 5TP

**REPORT OF THE MEMBERS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

The members present their report with the financial statements of the LLP for the year ended 29 February 2020.

PRINCIPAL ACTIVITY

The Partnership was formed to conduct an integrated games development business. It draws on a deep pool of talent to develop quality video games. Its strategy has been designed to enable it to operate in the global marketplace through a combination of scale and participation in all aspects of the games development and publishing value chain whilst at the same time adopting a conservative approach to managing risks.

The Partnership's scope of business includes marketing activities, thus enabling it to increase its return from individual games and deploy capital across activities with different risk profiles.

The Partnership adopts a sophisticated project selection procedure to manage risks from the outset and only develops games where there is a strong likelihood of distribution and where it is able to secure a participation in gross sales receipts from the exploitation of the developed games by games publishers.

REVIEW OF BUSINESS

On 26 July 2019 Ingenious Games LLP (the "Partnership") received the decision of the Upper Tribunal on its appeal against the decision of the First-Tier Tax Tribunal (in respect of its appeals against the enquiry closure notices issued by HMRC). The Upper Tribunal concluded that the Partnership was not trading and did not have a view to profit. The finding that the Partnership did not have a view to profit means the Partnership (under the law as it existed in April 2018) would be taxed as a body corporate subject to corporation tax rather than as a partnership whose members are subject to tax. However, in the March 2020 budget the government announced its intention to introduce, in the Finance Bill 2020, retrospective legislation to ensure that a Limited Liability Partnership continues to be taxed as a partnership even where it is subsequently found to not have a view to profit. Should the final decision require adjustments to the income and costs recognised by the Partnership, these adjustments may need to be reflected in the financial statements of the Partnership. Any tax impact of the final decision is not expected to be reflected in the financial statements of the Partnership following the introduction of the retrospective legislation.

The Partnership was granted permission to appeal the decision of the Upper Tribunal on the issues of trading and trading with a view to profit by the Court of Appeal in February 2020. The appeal hearing before the Court of Appeal is scheduled for 11 March 2021.

DESIGNATED MEMBERS

The designated members during the year under review were:

Hastings Games 1 Limited
Hastings Games 2 Limited

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The loss for the year before members' remuneration and profit shares was £255 (2019 - £2,800 loss).

INGENIOUS GAMES LLP (REGISTERED NUMBER: OC314073)

**REPORT OF THE MEMBERS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

MEMBERS' INTERESTS

The Designated Members are not entitled to drawings. In accordance with the Members' Agreement, drawings shall be made at the discretion of Ingenious Media Investments Limited ("the Operator"), the operator of the Partnership.

Members' capital is subscribed in accordance with the current Members' Agreement, and retained by the Partnership until such time as the members agree to repay that capital. There were no transfers of members' capital to debt during the year.

ON BEHALF OF THE MEMBERS:



.....
Hastings Games 1 Limited - Designated member

Date: 05/10/2020

INGENIOUS GAMES LLP (REGISTERED NUMBER: OC314073)

**INCOME STATEMENT
FOR THE YEAR ENDED 29 FEBRUARY 2020**

	2020	2019
	£	£
TURNOVER	-	-
Administrative expenses	<u>(255)</u>	<u>(2,800)</u>
OPERATING LOSS and LOSS FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	<u>(255)</u>	<u>(2,800)</u>

The notes form part of these financial statements

INGENIOUS GAMES LLP (REGISTERED NUMBER: OC314073)**BALANCE SHEET
29 FEBRUARY 2020**

	Notes	2020 £	2019 £
CURRENT ASSETS			
Debtors	4	35,051	-
Cash at bank		8,978	44,274
		<u>44,029</u>	<u>44,274</u>
CREDITORS			
Amounts falling due within one year	5	(44,029)	(44,274)
TOTAL ASSETS LESS CURRENT LIABILITIES and NET LIABILITIES ATTRIBUTABLE TO MEMBERS		<u>-</u>	<u>-</u>
LOANS AND OTHER DEBTS DUE TO MEMBERS		-	-
MEMBERS' OTHER INTERESTS			
Capital accounts		28,917,199	28,917,199
Other reserves		(28,917,199)	(28,917,199)
		<u>-</u>	<u>-</u>
TOTAL MEMBERS' INTERESTS		<u>-</u>	<u>-</u>

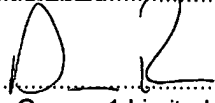
The LLP is entitled to exemption from audit under Section 477 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 for the year ended 29 February 2020.

The members acknowledge their responsibilities for:

- ensuring that the LLP keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and
- preparing financial statements which give a true and fair view of the state of affairs of the LLP as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 relating to financial statements, so far as applicable to the LLP.

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

The financial statements were approved by the members of the LLP and authorised for issue on 05/10/2020 and were signed by:


Hastings Games 1 Limited - Designated member

The notes form part of these financial statements

**RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

	EQUITY		
	Members' capital (classified as equity) £	Members' other interests Other reserves £	Total £
Balance at 1 March 2019	28,917,199	(28,917,199)	-
Loss for the financial year available for discretionary division among members	-	(255)	(255)
Members' interests after loss for the year	28,917,199	(28,917,454)	(255)
Drawings	-	255	255
Balance at 29 February 2020	28,917,199	(28,917,199)	-

	DEBT	TOTAL MEMBERS' INTERESTS
	Loans and other debts due to members less any amounts due from members in debtors Other amounts £	Total £
Amount due to members	-	-
Amount due from members	-	-
Balance at 1 March 2019	-	-
Loss for the financial year available for discretionary division among members	-	(255)
Members' interests after loss for the year	-	(255)
Drawings	-	255
Amount due to members	-	-
Amount due from members	-	-
Balance at 29 February 2020	-	-

The notes form part of these financial statements

**RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

	EQUITY		
	Members' capital (classified as equity) £	Members' other interests Other reserves £	Total £
Balance at 1 March 2018	28,917,199	(28,917,199)	-
Loss for the financial year available for discretionary division among members	-	(2,800)	(2,800)
Members' interests after loss for the year	28,917,199	(28,919,999)	(2,800)
Drawings	-	2,800	2,800
Balance at 28 February 2019	28,917,199	(28,917,199)	-
	DEBT		TOTAL MEMBERS' INTERESTS
	Loans and other debts due to members less any amounts due from members in debtors Other amounts £		Total £
Amount due to members	-		-
Amount due from members	-		-
Balance at 1 March 2018	-		-
Loss for the financial year available for discretionary division among members	-		(2,800)
Members' interests after loss for the year	-		(2,800)
Drawings	-		2,800
Amount due to members	-		-
Amount due from members	-		-
Balance at 28 February 2019	-		-

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 29 FEBRUARY 2020**

1. STATUTORY INFORMATION

Ingenious Games LLP is registered in England and Wales. The LLP's registered number and registered office address can be found on the General Information page.

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

The Partnership was formed to conduct an integrated games development business. It draws on a deep pool of talent to develop quality video games. Its strategy has been designed to enable it to operate in the global marketplace through a combination of scale and participation in all aspects of the games development and publishing value chain whilst at the same time adopting a conservative approach to managing risks.

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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" including the provisions of Section 1A "Small Entities" and the requirements of the Statement of Recommended Practice, Accounting by Limited Liability Partnerships. The financial statements have been prepared under the historical cost convention.

Going concern

The Partnership's business activities, together with the factors likely to affect its future development, performance and position have been reviewed by the members.

The members would like to draw attention to the Covid-19 pandemic and the potential economic impact the virus will have in the coming months. In establishing whether to continue to report under the going concern assumption the members have considered the following points:

- The impact on the day to day trade of the Partnerships' business
- The impact on the Partnerships' cash position of a period of minimum activity

Having assessed the risks facing the Partnership as described above and as set out in the Member's Report, its financial position, profit and cash flow forecasts, the members believe that the Partnership is well placed to manage its business successfully and will be able to maintain positive cashflows for the foreseeable future. Accordingly, the members continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 29 FEBRUARY 2020**

2. ACCOUNTING POLICIES - continued

Significant judgements and estimates

In the application of the Partnership's accounting policies which are described in Note 1, the members are required to make judgements, estimates and assumptions about the carrying amount 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.

Critical accounting judgements in applying the accounting policies

The following are the critical judgements that the members have made in the process of applying the Partnership's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Impairment of investments

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, and impairment loss is recognised in profit or loss as described below.

Financial assets

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial instruments

Financial instruments are classified and accounting for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Partnership after deducting all of its liabilities.

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.

Taxation

No current or deferred taxation is provided in the financial statements as the liability for taxation falls on the members.

3. EMPLOYEE INFORMATION

The average number of employees during the year was NIL (2019 - NIL).

INGENIOUS GAMES LLP (REGISTERED NUMBER: OC314073)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 29 FEBRUARY 2020**

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2020	2019
	£	£
Other debtors	35,051	-
	<u><u> </u></u>	<u><u> </u></u>
5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2020	2019
	£	£
Other creditors	44,029	44,274
	<u><u> </u></u>	<u><u> </u></u>
6. ULTIMATE CONTROLLING PARTY		
In the opinion of the members there is no controlling party.		