

# **Ignition London Limited**

**(Company Registration Number 04255453)**

**Director's report and financial statements  
for the year ended 31 March 2017**

# Ignition London Limited

## Director's report and financial statements for the year ended 31 March 2017

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# Ignition London Limited

## Company Information

### Director

J Talwar (resigned 28 April 2017)

RJ Haywood (appointed 28 April 2017)

### Independent Auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

1 Embankment Place

London

WC2N 6RH

### Bankers

HSBC Bank Plc

8 Canada Square

Canary Wharf

London

E14 5AH

### Solicitors

Manches LLP

9400 Garsington Road

Oxford Business Park

Oxford

OX4 2HN

### Registered office

3 Queen Caroline Street

Hammersmith

London

W6 9PE

### Registered number

04255453

# Ignition London Limited

## Director's report for the year ended 31 March 2017

The Director presents his report and audited financial statements of Ignition London Limited ('the Company') for the year ended 31 March 2017.

### Business review and future developments

The UTV Group (of which the Company is a subsidiary) was acquired by The Walt Disney Company in February 2012. Upon acquisition, the Director completed a strategic review of the operations of the Company and its future development, and took the decision to curtail operations.

Due to the cessation of trade, the Director has decided to place the Company into liquidation, although a formal appointment of a liquidator has not been made.

It is the current intention of the Director to wind-up and liquidate the Company. Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described on page 11.

During the year, expenses of £30 (2016: £30) were recharged to IG Interactive Entertainment Limited (another group undertaking) in line with an indemnification letter obtained in the previous financial year.

### Results and dividends

The result for the financial year amounted to £nil (2016: £nil).

The Director does not recommend the payment of a dividend (2016: £nil).

### Principal risks, uncertainties and Key Performance Indicators ("KPIs")

The Company has ceased trading. The Company is not a going concern and is in the processing of realising its assets and settling its liabilities. Accordingly, the Director does not believe it is necessary to provide details of KPIs in order to understand the basis of realising its current position.

### Financial risk management

The Company's principal financial instruments comprise cash and bank balances. The purpose of these instruments is to enable the Company to realise its assets and settle its debts as they fall due in light of the Company ceasing to trade. Given the status of the Company and the existence of a support letter from another group undertaking, IG Interactive Entertainment Limited, the Director is of the view that the Company is not exposed to credit or liquidity risk.

### Directors

The person who served as Director of the Company during the year and up to the date of signing the financial statements was as follows:

J Talwar (resigned 28 April 2017)

RJ Haywood (appointed 28 April 2017)

There was no qualifying third party indemnity provision in force, for the benefit of the Director, at any time during the financial year.

# Ignition London Limited

## Director's report for the year ended 31 March 2017 (continued)

### Statement of Director's responsibilities

The Director is responsible for preparing the Director's Report 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), and applicable law). Under company law the Director 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 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 UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of 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 (see Note 2).

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 them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

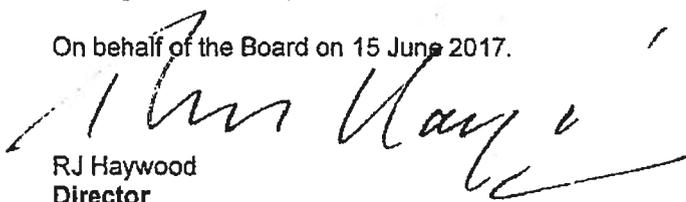
The Director is responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Disclosure of information to auditors

- So far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director as on the date of signing the report 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.

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

On behalf of the Board on 15 June 2017.

  
RJ Haywood  
Director

**Registered Office**  
3 Queen Caroline Street  
Hammersmith  
London  
W6 9PE

# Ignition London Limited

## Independent auditors' report to the members of Ignition London Limited

### Report on the financial statements

#### Our opinion

In our opinion, Ignition London Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 March 2017 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.

#### Emphasis of matter - Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the going concern basis of accounting. During the period ended 31 March 2012, the Company ceased trading. Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 2 to the financial statements. No adjustments were necessary to write down assets to their recoverable value, to reclassify fixed assets and non-current liabilities as current assets and current liabilities respectively, or to provide for liabilities arising as a result of the decision to cease trading the entity, within these financial statements as these adjustments were recognised in the financial statements for the period ended 31 March 2012, when the decision to cease trade was originally taken.

#### What we have audited

The financial statements, included within the Director's report and financial statements (the "Annual Report"), comprise:

- the Statement of financial position as at 31 March 2017;
- the Income statement for the year then ended;
- the Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Director has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Director's Report. We have nothing to report in this respect.

# **Ignition London Limited**

## **Independent auditors' report to the members of Ignition London Limited (continued)**

### **Other matters on which we are required to report by exception**

#### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

#### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

#### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Director was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

### **Responsibilities for the financial statements and the audit**

#### **Our responsibilities and those of the Director**

As explained more fully in the Statement of Director's responsibilities set out on page 4, the Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Director; and
- the overall presentation of the financial statements.

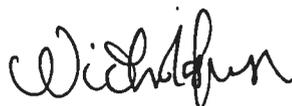
We primarily focus our work in these areas by assessing the Director's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

## Ignition London Limited

### Independent auditors' report to the members of Ignition London Limited (continued)

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Director's Report, we consider whether this report includes the disclosures required by applicable legal requirements.



Nicholas A Smith (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
15 June 2017

## Ignition London Limited

### Income statement for the year ended 31 March 2017

	<i>Note</i>	2017 £	2016 £
Operating costs		(30)	(30)
<b>Operating loss</b>	3	<u>(30)</u>	<u>(30)</u>
Intercompany indemnity income		30	30
<b>Result on ordinary activities before taxation</b>		<u>-</u>	<u>-</u>
Tax on result on ordinary activities	5	-	-
<b>Result for the financial year</b>		<u><u>-</u></u>	<u><u>-</u></u>

The results shown above are derived from discontinued operations.

The notes on pages 11 to 14 form part of these financial statements.

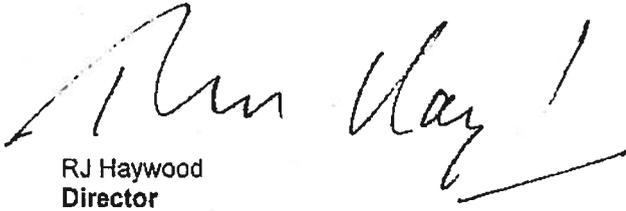
# Ignition London Limited

## Statement of financial position as at 31 March 2017

(Company registration number 04255453)

	Note	2017 £	2016 £
<b>Current assets</b>			
Debtors	6	785	755
Cash at bank and in hand		221	251
		<u>1,006</u>	<u>1,006</u>
<b>Net current assets</b>		<b>1,006</b>	<b>1,006</b>
<b>Total assets less current liabilities</b>		<b>1,006</b>	<b>1,006</b>
<b>Net assets</b>		<u><b>1,006</b></u>	<u><b>1,006</b></u>
<b>Capital and reserves</b>			
Called up share capital	7	5,000	5,000
Share premium		2,561,479	2,561,479
Capital contribution	8	17,290,978	17,290,978
Profit and loss account		(19,856,451)	(19,856,451)
<b>Total shareholder's funds</b>		<u><b>1,006</b></u>	<u><b>1,006</b></u>

The financial statements on pages 8 to 14 were approved by the Director on 15 June 2017 and were signed on its behalf by:



RJ Haywood  
Director

## Ignition London Limited

### Statement of changes in equity for the year ended 31 March 2017

	Called up share capital	Share premium account	Capital contribution	Profit and loss account	Total shareholder's (deficit)/funds
	£	£	£	£	£
As at 31 March 2015	5,000	2,561,479	17,282,028	(19,856,451)	(7,944)
Result for the financial year	-	-	-	-	-
Capital contribution	-	-	8,950	-	8,950
As at 31 March 2016	5,000	2,561,479	17,290,978	(19,856,451)	1,006
Result for the financial year	-	-	-	-	-
As at 31 March 2017	5,000	2,561,479	17,290,978	(19,856,451)	1,006

# Ignition London Limited

## Notes to the Financial Statements for the year ended 31 March 2017

### 1 Company information

Ignition London Limited is a limited liability company incorporated in the United Kingdom. The registered office is 3 Queen Caroline Street, Hammersmith, London, W6 9PE.

The principal activity of the Company was the production of animated film and video games.

### 2 Accounting policies

The financial statements are prepared in accordance with the Companies Act 2006, the special provisions of Part 15 of the Companies Act 2006 related to small companies and applicable accounting standards in the United Kingdom. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

#### a) Basis of accounting

The financial statements have been prepared in accordance with applicable UK accounting standards, including Financial Reporting Standard 102- 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102')', and with the Companies Act 2006.

The financial statements have been prepared under the historical cost convention less impairment recognised in previous years and in accordance with the Companies Act 2006.

The Company ceased trading during the financial year ended 31 March 2012 following acquisition of the UTV Group (of which the Company is a subsidiary of) and a strategic review of operations of the Company. Accordingly, the going concern basis of accounting is no longer appropriate as at 31 March 2017. As required by FRS 18.21 and as permitted by SI 2008/420 Schedule 1 (10) (2), the Director has prepared the financial statements on the basis that the Company is no longer a going concern. No adjustments were necessary to write down assets to their recoverable value, to reclassify fixed/non-current assets and long-term/non-current liabilities as current assets and current liabilities and to provide for liabilities arising as a result of the decision to cease trading/liquidate the entity as at 31 March 2017 as these were taken in prior years.

Any costs which are payable by the Company are reimbursed by IG Interactive Entertainment Limited, another group entity under the indemnity arrangement in place between the two parties.

The principal accounting policies, which have been applied consistently throughout the year, are set out below and, where necessary, have been updated to include any policies which are now considered significant given the presentation of the financial statements as at 31 March 2017 on a non-going concern basis.

Under the provisions of FRS 102, the Company has utilised the following disclosure exemptions:

- a) The requirement to prepare a cash flow statement
- b) The requirement to provide certain financial instruments disclosures
- c) The requirement to provide certain related parties disclosures

#### b) Financial instruments

##### Cash

Cash comprises cash at bank and in hand, and bank overdrafts where there is a right of offset, which have a maturity of 90 days or less at date of acquisition.

#### c) Taxation

Corporation tax payable is provided on taxable profits at the current rate.

# Ignition London Limited

## Notes to the financial statements for the year ended 31 March 2017 (continued)

### 2 Accounting policies (continued)

#### c) Taxation (continued)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### 3 Operating loss

Auditors' remuneration has been borne by the immediate parent undertaking in the current year due to the cessation of trading activities.

The Company had no employees during the year (2016: nil).

### 4 Director's emoluments

The Director did not receive any emoluments in respect of his services to the Company. The Director was remunerated by another group undertaking. It is not possible to determine the allocation of remuneration of the Director related to the Company.

### 5 Tax on result on ordinary activities

The total tax charge for the year ended 31 March 2017 is nil (2016: nil).

The tax assessed for the year is the same (2016: the same) as the standard effective rate of corporation tax in the UK for the year ended 31 March 2017 of 20% (2016: 20%). The differences are explained below:

	2017 £	2016 £
Result on ordinary activities before taxation	-	-
Standard rate of corporation tax in the UK	20%	20%
Result on ordinary activities multiplied by the standard tax rate of corporation tax	-	-
<b>Effects of:</b>		
Other permanent differences	-	1,790
Movement on deferred tax not recognised	-	(1,790)
	-	-

# Ignition London Limited

## Notes to the financial statements for the year ended 31 March 2017 (continued)

### 5 Tax on profit on ordinary activities (continued)

#### Factors that may affect future tax expense

The Finance Act 2015 introduced provisions to reduce the main rate of corporation tax from 20% to 19% with effect from 1 April 2017 and 18% from 1 April 2020.

The Finance Act 2016 received Royal Assent on 15 September 2016 enacting a further reduction in the main rate of corporation tax to 17% from 1 April 2020.

#### Deferred taxation

The Company has a trading loss carried forward of £5,690,594 (2016: £5,690,594) resulting in a potential deferred tax asset of £967,401 at the closing rate of 17% (2016: £1,024,306 at the closing rate of 18%). This asset has not been recognised as the company cannot assess with sufficient certainty the future recoverability.

Analysis of charge in year	Maximum potential asset	
	2017	2016
	£	£
Losses	967,401	1,024,306

### 6 Debtors

	2017	2016
	£	£
Amounts owed by group undertakings	785	755
	<u>785</u>	<u>755</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 7 Called up share capital

	2017	2016
	£	£
<b>Authorised:</b>		
Ordinary shares of £1 each	10,000,000	10,000,000
<b>Allotted and fully paid:</b>		
Ordinary shares of £1 each	5,000	5,000

# Ignition London Limited

## Notes to the financial statements for the year ended 31 March 2017 (continued)

### 8 Capital contribution

During the year, the Company transferred £nil (2016: £8,950) from Amounts due to Parent Undertaking to a Capital Contribution Reserve on the agreement of Ignition Entertainment Limited, its immediate parent undertaking.

### 9 Related party transactions

The Company is a wholly owned subsidiary of the ultimate parent company and utilises the exemption contained in FRS 102, Related party disclosures, not to disclose any transactions with entities that are included in the financial statements of the ultimate parent company. The address at which the consolidated financial statements of the ultimate parent company are publicly available is included in note 10.

### 10 Ultimate parent undertaking

The Company's immediate parent is Ignition Entertainment Limited, the ultimate parent and controlling party and the parent of the smallest and the largest group to consolidate these financial statements is The Walt Disney Company, incorporated in the United States of America.

Copies of The Walt Disney Company consolidated financial statements can be obtained from:

500 South Buena Vista Street  
Burbank, California 91521.

The Company does not have any related undertakings.