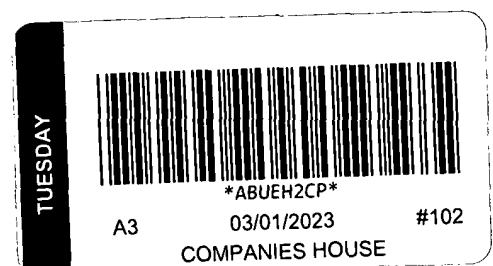


Company Registration No. 06567428 (England and Wales)

Magic Light Pictures Limited

**Annual report and
group financial statements
for the year ended 31 March 2022**



Magic Light Pictures Limited

Company information

Directors Martin Pope
 Lisa Gordon
 Michael Rose
 Andrew Weisz

Secretary Michael Rose

Company number 06567428

Registered office 4th Floor
 41-42 Foley Street
 London
 W1W 7TS

Accountants Saffery Champness LLP
 71 Queen Victoria Street
 London
 EC4V 4BE

Magic Light Pictures Limited

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Magic Light Pictures Limited

**Directors' report
For the year ended 31 March 2022**

The directors present their annual report and financial statements for the year ended 31 March 2022.

Principal activities

The principal activity of the company and group continued to be that of the production of children's television programmes and licensing.

Results and dividends

The results for the year are set out on page 2.

Ordinary dividends were paid amounting to £504,184 (2021: £490,969). The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Martin Pope
Lisa Gordon
Michael Rose
Andrew Weisz


COVID -19

The virus identified as COVID-19 did not have a significant impact on the company and group in the period. Production on the projects in which the group was involved has not been significantly affected and the group has been able to secure sufficient financing for its needs. The directors do not expect this to have a significant impact on the company in terms of its activity or its ability to continue as a going concern.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

DocuSigned by:

.....26FFD234E58948F.....
Martin Pope
Director

22 December 2022
Date:

Magic Light Pictures Limited**Group statement of comprehensive income
For the year ended 31 March 2022**

		2022	2021
	Notes	£	£
Turnover		8,716,899	7,340,100
Cost of sales		(6,916,989)	(4,801,897)
Animation tax relief		1,625,394	119,811
Gross profit		<u>3,425,304</u>	<u>2,658,014</u>
Administrative expenses		(2,528,031)	(1,693,693)
Operating profit	3	<u>897,273</u>	<u>964,321</u>
Interest receivable and similar income	6	3,065	1,693
Interest payable and similar expenses	7	(6,362)	-
Profit before taxation		<u>893,976</u>	<u>966,014</u>
Tax on profit	8	29,449	(149,533)
Profit for the financial year		<u><u>923,425</u></u>	<u><u>816,481</u></u>

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The income statement has been prepared on the basis that all operations are continuing operations.

Magic Light Pictures Limited**Group statement of financial position
As at 31 March 2022**

	Notes	£	2022 £	£	2021 £
Fixed assets					
Intangible assets	9		2,169,928		2,324,923
Tangible assets	10		12,061		7,724
			<u>2,181,989</u>		<u>2,332,647</u>
Current assets					
Stocks		1,376,439		1,761,005	
Debtors	13	3,200,717		4,916,710	
Cash at bank and in hand		5,593,947		3,066,159	
			<u>10,171,103</u>	<u>9,743,874</u>	
Creditors: amounts falling due within one year	14	(2,340,905)		(2,289,959)	
Net current assets			<u>7,830,198</u>		<u>7,453,915</u>
Total assets less current liabilities			<u>10,012,187</u>		<u>9,786,562</u>
Creditors: amounts falling due after more than one year	15		(785,833)		(950,000)
Provisions for liabilities			<u>(323,550)</u>		<u>(352,999)</u>
Net assets			<u>8,902,804</u>		<u>8,483,563</u>
Capital and reserves					
Called up share capital	20		22,182		22,182
Share premium account			5,886,291		5,886,291
Profit and loss reserves			2,994,331		2,575,090
Total equity			<u>8,902,804</u>		<u>8,483,563</u>

For the financial year ended 31 March 2022 the group was entitled to exemption from audit under section 477 of the Companies Act 2006.

Magic Light Pictures Limited

Group statement of financial position (continued)

As at 31 March 2022

Directors' responsibilities under the Companies Act 2006:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 22 December 2022 and are signed on its behalf by:

DocuSigned by:

Martin Pope.....

26FFD234E5994BF...
Martin Pope

Director

Magic Light Pictures Limited**Company statement of financial position****As at 31 March 2022**

			2022	2021
	Notes	£	£	£
Fixed assets				
Intangible assets	9		2,169,928	2,324,923
Tangible assets	10		12,061	7,724
Investments	11		91	90
			<u>2,182,080</u>	<u>2,332,737</u>
Current assets				
Stocks		221,778	214,346	
Debtors	13	3,966,959	5,986,189	
Cash at bank and in hand		5,567,562	3,016,042	
		<u>9,756,299</u>	<u>9,216,577</u>	
Creditors: amounts falling due within one year	14	(1,887,062)	(1,682,786)	
Net current assets			<u>7,869,237</u>	<u>7,533,791</u>
Total assets less current liabilities			<u>10,051,317</u>	<u>9,866,528</u>
Creditors: amounts falling due after more than one year	15	(785,833)	(950,000)	
Provisions for liabilities		(323,550)	(352,999)	
Net assets			<u>8,941,934</u>	<u>8,563,529</u>
Capital and reserves				
Called up share capital	20	22,182	22,182	
Share premium account		5,886,291	5,886,291	
Profit and loss reserves		3,033,461	2,655,056	
Total equity			<u>8,941,934</u>	<u>8,563,529</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £882,589 (2021 - £896,886 profit).

For the financial year ended 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Magic Light Pictures Limited

Company statement of financial position (continued)

As at 31 March 2022

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These 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 board of directors and authorised for issue on and are signed on its behalf by:
22 December 2022

DocuSigned by:

Martin Pope.....
28FFD234F55994BF...

Martin Pope

Director

Company Registration No. 06567428

Magic Light Pictures Limited**Group statement of changes in equity
For the year ended 31 March 2022**

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 April 2020	22,182	5,886,291	2,249,578	8,158,051
Year ended 31 March 2021:				
Profit and total comprehensive income for the year	-	-	816,481	816,481
Dividends	-	-	(490,969)	(490,969)
Balance at 31 March 2021	22,182	5,886,291	2,575,090	8,483,563
Year ended 31 March 2022:				
Profit and total comprehensive income for the year	-	-	923,425	923,425
Dividends	-	-	(504,184)	(504,184)
Balance at 31 March 2022	22,182	5,886,291	2,994,331	8,902,804

Magic Light Pictures Limited**Company statement of changes in equity
For the year ended 31 March 2022**

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 April 2020		22,182	5,886,291	2,249,139	8,157,612
Year ended 31 March 2021:					
Profit and total comprehensive income for the year		-	-	896,886	896,886
Dividends		-	-	(490,969)	(490,969)
Balance at 31 March 2021		22,182	5,886,291	2,655,056	8,563,529
Year ended 31 March 2022:					
Profit and total comprehensive income for the year		-	-	882,589	882,589
Dividends		-	-	(504,184)	(504,184)
Balance at 31 March 2022		22,182	5,886,291	3,033,461	8,941,934

Magic Light Pictures Limited

Notes to the financial statements For the year ended 31 March 2022

1 Accounting policies

Company information

Magic Light Pictures Limited (formerly known as Orange Eyes Limited) ("the company") is a private company limited by shares incorporated in England and Wales. The registered office is 4th Floor, 41-42 Foley Street, London, W1W 7TS.

The group consists of Magic Light Pictures Limited (formerly known as Orange Eyes Limited) and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

Magic Light Pictures Limited

Notes to the financial statements (continued)

For the year ended 31 March 2022

1 Accounting policies (continued)

The consolidated group financial statements consist of the financial statements of the parent company Magic Light Pictures Limited (formerly known as Orange Eyes Limited) together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

The turnover shown in the Statement of comprehensive income represents production licensing income earned during the period. Turnover is recognised in accordance with the terms of the contracts. Production income in relation to productions in progress is held as deferred income until the production is delivered. Upon delivery it is credited to the Statement of comprehensive income.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

IP Rights	20 years
Film & TV Productions	on a £ for £ basis against the gross profit for each portfolio

Magic Light Pictures Limited

Notes to the financial statements (continued)
For the year ended 31 March 2022

1 Accounting policies (continued)

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Equipment	33% straight line
-----------	-------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Magic Light Pictures Limited**Notes to the financial statements (continued)****For the year ended 31 March 2022****1 Accounting policies (continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Work in progress

Work in progress relates to direct production costs incurred on productions not delivered during the period. The costs are recorded at the lower of cost and net realisable value, and are net of Value Added Tax.

1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Magic Light Pictures Limited**Notes to the financial statements (continued)****For the year ended 31 March 2022**

1 Accounting policies (continued)***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it includes an additional deduction relating to qualifying animation development expenditure and excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Magic Light Pictures Limited**Notes to the financial statements (continued)****For the year ended 31 March 2022**

1 Accounting policies (continued)***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Government grants

Government grants are recognised when there is reasonable assurance that the grant conditions will be met and the grants will be received. Government grants related to production costs are recognised in the statement of comprehensive income within Animation Tax Relief over the periods in which the related production costs are incurred and for which the grant is intended to compensate.

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

Magic Light Pictures Limited**Notes to the financial statements (continued)****For the year ended 31 March 2022****2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the group's accounting policies, the directors 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

There are no significant estimates or judgements used in preparing these accounts, other than that detailed below.

Amortisation

Goodwill and intangible assets are being amortised over their deemed useful life. This period has been determined via a review of each asset, considering both historic and future factors. The directors believe the amortisation periods applied appropriately reflect the estimated useful life of the assets.

Tax credit estimate

The directors believe the key accounting estimate within the financial statements for the Company is the valuation of the Animation tax credit available. The estimate is based on the assessment of the value of qualifying expenditure as per HMRC legislations and guidance plus assessment of the qualification of the underlying production as eligible for the tax relief.

In the opinion of the directors, there were no other critical judgements or other estimation uncertainties in these financial statements.

3 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	30,856	(13,072)
Research and development costs	7,586	940
Animation tax relief	(1,625,394)	(119,811)
Depreciation of owned tangible fixed assets	9,054	24,081
Loss on disposal of tangible fixed assets	456	-
Amortisation of intangible assets	7,204,318	3,442,172
Operating lease charges	38,186	18,982
	<u> </u>	<u> </u>

Magic Light Pictures Limited**Notes to the financial statements (continued)****For the year ended 31 March 2022****3 Operating profit (continued)**

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to a £30,856 loss (2021 - £13,072 gain).

4 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group		Company	
	2022	2021	2022	2021
	Number	Number	Number	Number
Total employees	27	23	26	22

5 Directors' remuneration

	2022	2021
	£	£
Remuneration paid to directors	121,643	139,414

6 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	3,065	1,693

7 Interest payable and similar expenses

	2022	2021
	£	£
Interest payable to group undertakings	6,362	-

Magic Light Pictures Limited**Notes to the financial statements (continued)****For the year ended 31 March 2022****8 Taxation**

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	-	59,171
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	(29,449)	(29,449)
	<u> </u>	<u> </u>
Total tax (credit)/charge	<u>(29,449)</u>	<u>29,722</u>

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Profit before taxation	<u>893,976</u>	<u>846,203</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	169,855	160,779
Tax effect of expenses that are not deductible in determining taxable profit	663	16,257
Group relief	(161,741)	-
Depreciation in excess of capital allowances	(858)	2,033
Enhanced losses arising from the animation tax credit	(2,434,558)	(829,200)
Difference between the rate of corporation tax and the rate of relief under the animation tax credit	(475,196)	(217,308)
Tax credit recognised on balance sheet	(1,270,806)	785,637
Other tax adjustments, reliefs and transfers	-	140,973
Deferred tax adjustments	898,575	(29,449)
Tax credit recognised in other operating income	3,250,788	-
Consolidation adjustment	(6,171)	-
	<u> </u>	<u> </u>
Taxation (credit)/charge	<u>(29,449)</u>	<u>29,722</u>

Magic Light Pictures Limited**Notes to the financial statements (continued)**
For the year ended 31 March 2022**9 Intangible fixed assets**

Group	IP Rights	Film & TV Productions	Total
	£	£	£
Cost			
At 1 April 2021	3,099,898	21,088,395	24,188,293
Additions - internally developed	-	6,259,285	6,259,285
At 31 March 2022	3,099,898	27,347,680	30,447,578
Amortisation and impairment			
At 1 April 2021	774,975	21,088,395	21,863,370
Amortisation charged for the year	154,995	6,259,285	6,414,280
At 31 March 2022	929,970	27,347,680	28,277,650
Carrying amount			
At 31 March 2022	2,169,928	-	2,169,928
At 31 March 2021	2,324,923	-	2,324,923
Company	IP Rights	Film & TV Productions	Total
	£	£	£
Cost			
At 1 April 2021	3,099,898	19,321,854	22,421,752
Additions - internally developed	-	4,650,326	4,650,326
At 31 March 2022	3,099,898	23,972,180	27,072,078
Amortisation and impairment			
At 1 April 2021	774,975	19,321,854	20,096,829
Amortisation charged for the year	154,995	4,650,326	4,805,321
At 31 March 2022	929,970	23,972,180	24,902,150

Magic Light Pictures Limited**Notes to the financial statements (continued)****For the year ended 31 March 2022****9 Intangible fixed assets (continued)****Carrying amount**

At 31 March 2022	2,169,928	-	2,169,928
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2021	2,324,923	-	2,324,923
	<u> </u>	<u> </u>	<u> </u>

The group's internally generated intangible fixed asset additions include assets separately acquired by Magic Light Pictures Limited that were developed within the group.

10 Tangible fixed assets

Group	Equipment £
Cost	
At 1 April 2021	83,587
Additions	15,049
Disposals	(1,377)
At 31 March 2022	<u>97,259</u>
Depreciation and impairment	
At 1 April 2021	75,863
Depreciation charged in the year	10,256
Eliminated in respect of disposals	(921)
At 31 March 2022	<u>85,198</u>
Carrying amount	
At 31 March 2022	<u>12,061</u>
At 31 March 2021	<u>7,724</u>

Magic Light Pictures Limited**Notes to the financial statements (continued)****For the year ended 31 March 2022****10 Tangible fixed assets (continued)**

Company	Equipment £
Cost	
At 1 April 2021	83,587
Additions	15,049
Disposals	(1,377)
At 31 March 2022	97,259
Depreciation and impairment	
At 1 April 2021	75,863
Depreciation charged in the year	10,256
Eliminated in respect of disposals	(921)
At 31 March 2022	85,198
Carrying amount	
At 31 March 2022	12,061
At 31 March 2021	7,724

11 Fixed asset investments

	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments	-	-	91	90

Magic Light Pictures Limited**Notes to the financial statements (continued)****For the year ended 31 March 2022****11 Fixed asset investments****(continued)****Movements in fixed asset investments****Company****Shares in
group
undertakings
£****Cost or valuation**

At 1 April 2021

90

Additions

1

At 31 March 2022

91

Carrying amount

At 31 March 2022

91

At 31 March 2021

90

12 Subsidiaries

Name of undertaking	Address	Class of shares held	% Held	
			Direct	Indirect
MLP SPV Limited	1	Ordinary	100	
OE 2019 Limited (formerly known as Magic Light Pictures Limited)	1	Ordinary	100	
Magic Light Pictures Ireland Limited	2	Ordinary	100	
Magic Light Limited	1	Ordinary	100	
Orange Eyes Limited	1	Ordinary	100	
MLP Holdings Limited	1	Ordinary	100	
ZAFD DAC	3	Ordinary	0	100
MLP Spotty SPV Ltd	1	Ordinary	100	

Registered office addresses (all UK unless otherwise indicated):

- 1 41-42 Foley Street, London, W1W 7TS, UK
- 2 49 Wainsfort Manor Drive, Terenure, Dublin, Ireland
- 3 99 Saint Stephen's Green, Dublin, Ireland

Magic Light Pictures Limited

Notes to the financial statements (continued)

For the year ended 31 March 2022

13 Debtors

	Group		Company	
	2022	2021	2022	2021
Amounts falling due within one year:	£	£	£	£
Trade debtors	1,610,397	2,249,984	1,545,799	2,249,984
Corporation tax recoverable	989,990	905,448	-	-
Amounts owed by group undertakings	-	-	2,386,255	3,650,924
Other debtors	594,124	1,218,670	34,905	33,688
Prepayments and accrued income	6,206	542,608	-	51,593
	<u>3,200,717</u>	<u>4,916,710</u>	<u>3,966,959</u>	<u>5,986,189</u>

14 Creditors: amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	987,500	850,000	987,500	850,000
Trade creditors	560,205	505,677	150,258	55,015
Amounts owed to group undertakings	-	-	101	100
Corporation tax payable	-	178,981	-	178,981
Other taxation and social security	277,402	323,127	277,402	323,127
Other creditors	27,248	149,747	1,575	86,803
Accruals and deferred income	488,550	282,427	470,226	188,760
	<u>2,340,905</u>	<u>2,289,959</u>	<u>1,887,062</u>	<u>1,682,786</u>

15 Creditors: amounts falling due after more than one year

	Group		Company	
	2022	2021	2022	2021
Notes	£	£	£	£
Bank loans and overdrafts	785,833	950,000	785,833	950,000
	<u>785,833</u>	<u>950,000</u>	<u>785,833</u>	<u>950,000</u>

Magic Light Pictures Limited**Notes to the financial statements (continued)****For the year ended 31 March 2022****16 Loans and overdrafts**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	1,773,333	1,800,000	1,773,333	1,800,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Payable within one year	987,500	850,000	987,500	850,000
Payable after one year	785,833	950,000	785,833	950,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

17 Grants

During the year, a government grant in relation to the animation tax credit of £1,625,394 (2021: £119,811) was recognised with respect to the costs of production for the productions the Company had developed in the period. The related production costs are included within cost of sales.

18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities	Liabilities
	2022	2021
	£	£
Arising on business combinations	323,550	352,999
	<u> </u>	<u> </u>
Movements in the year:		2022
		£
Liability at 1 April 2021		352,999
Credit to profit or loss		(29,449)
		<u> </u>
Liability at 31 March 2022		323,550
		<u> </u>

The deferred tax liability set out above relates to short term timing differences arising on the acquisition of OE 2019 Limited (formerly known as Magic Light Pictures Limited).

Magic Light Pictures Limited**Notes to the financial statements (continued)****For the year ended 31 March 2022****19 Retirement benefit schemes**

	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	38,318	34,670
	<u>38,318</u>	<u>34,670</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

20 Share capital

	2022	2021
	£	£
Ordinary share capital		
Issued and fully paid		
771,489 Ordinary Investor Shares of 1p each	7,715	7,715
1,446,710 Ordinary 'A' Shares of 1p each	14,467	14,467
	<u>22,182</u>	<u>22,182</u>

21 Controlling party

The directors consider that there is no single ultimate controlling party.