

Company Registration No. 03882481 (England and Wales)

**GAMER NETWORK LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED**  
**31 DECEMBER 2018**



# **GAMER NETWORK LIMITED**

## **COMPANY INFORMATION**

---

<b>Directors</b>	Mr S Maxwell Mr A D S Bowden Mr D G Johnson Mr R J N Mortimore Ms M R Tiley-Hill
<b>Secretary</b>	Ms J M Poole
<b>Company number</b>	03882481
<b>Registered office</b>	Gateway House 28 The Quadrant Richmond Surrey TW9 1DN England
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants 25 Farringdon Street London EC4A 4AB United Kingdom

---

# GAMER NETWORK LIMITED

## STRATEGIC REPORT

### FOR THE PERIOD ENDED 31 DECEMBER 2018

---

The directors present the strategic report for the 8 month period ended 31 December 2018.

#### Review of the business

Due to the change in reporting date, the current accounting period covers 8 months to 31 December 2018 and accordingly the comparative amounts, which represents a 12 month period, are not comparable. Turnover of £6.9m for the 8 month period compares favourably, as a result of a 40% increase in sales, to the April 2018 12 month period and gross profit margin remained broadly consistent.

The business has continued to invest in staff and technology to support the growth anticipated in the coming years.

The profit for the period before taxation was £1,428,930 (30 April 2018: £1,845,116 loss which included share based payment costs of £0.4m and impairment losses of £2.1m)

The company had a strong cash position of £1,142,444 (30 April 2018: £488,153) at 31 December 2018.

#### Matters of strategic importance

Management continue to see growth in the digital business via agreements with partner web and video sites both nationally and internationally whilst retaining market share in the current events business as strategically important to the company.

#### Business environment and future developments

The directors expect the group's revenue growth to remain strong whilst operating in a growth sector. The company will continue to focus on team talent as a driver to success, with alliances and strategic partnering seen as a key to future growth.

To support this the company and its owners will continue to invest in staff and technology across the business to maintain margins.

#### Key performance indicators

The board and management monitor the progress of a number of KPI's as follows:

	8 months to 31 December 2018	12 months to 30 April 2018
Turnover	£6.9m	£7.3m
Turnover growth*	40.5%	12.0%
Gross profit margin	62.0%	62.5%

\* Turnover growth for 8 months to 31 December 2018 based on 30 April 2018 8 month equivalent.

# GAMER NETWORK LIMITED

## STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2018

---

### Principal risks and uncertainties

The company's principal risks and uncertainties are comprised of competition risk, price risk, credit risk, liquidity risk and foreign currency risk. Policies relating to these risks are set out below.

#### *Competition risk*

Competitive pressure is a continuing risk for the company, which could result in it losing sales to its key competitors. The group manages this risk by providing a focus on customer service which builds long term strong relationships and continual attracting and retention of talent.

#### *Price risk*

The company has very limited exposure to fluctuations in its cost structure being influenced primarily by the labour market and the acquiring and retention of key staff.

#### *Credit risk*

The company's principal financial assets are bank balances and cash, and trade and other debtors. Credit risk is primarily attributable to its trade debtors. The amounts presented in the statement of financial position are net of allowances for bad and doubtful debts. Allowances for bad debts are made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The company has no significant concentration of credit risk, with exposure spread over a high number of counterparties and customers.

#### *Liquidity risk*

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company makes use of financial support from its owners.

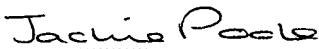
#### *Foreign exchange risk*

Due to the volume of overseas business operations the company is primarily exposed to the financial risks of changes in foreign currency exchange rates.

### Events after the reporting date

Due to the recent development in the global COVID-19 (coronavirus) pandemic, management has chosen to delay the April 2020 EGX Rezzed event until later in the year. As of now, no new date has been scheduled, although this is expected to take place in the Summer of 2020.

By order of the board



Ms J M Poole

Secretary

Date: 16<sup>th</sup> March 2020

# **GAMER NETWORK LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE PERIOD ENDED 31 DECEMBER 2018**

---

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

#### **Principal activities**

The principal activity of the company continued to be that of internet publishing.

#### **Directors**

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

Mr S Maxwell  
Mr A D S Bowden  
Mr D G Johnson  
Mr R J N Mortimore  
Ms M R Tiley-Hill

#### **Results and dividends**

The results for the period are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

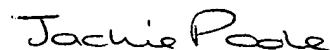
#### **Auditor**

RSM UK Audit LLP has indicated its willingness to be reappointed for another term and in accordance with section 485 of the Companies Act 2006 appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board



Ms J M Poole  
**Secretary**

Date: 16<sup>th</sup> March 2019

# **GAMER NETWORK LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2018**

---

The directors are responsible for preparing the Strategic Report and the Directors' 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 of the company 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 accounting estimates that are reasonable and prudent;
- 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 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GAMER NETWORK LIMITED**

---

### **Opinion**

We have audited the financial statements of Gamer Network Limited (the 'company') for the period ended 31 December 2018 which comprise the statement of comprehensive income, the 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 FRS 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 profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GAMER NETWORK LIMITED (CONTINUED)

---

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

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 strategic report and the directors' report.

We have nothing to report in respect of the following matters where 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.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### 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.

*RSM UK Audit LLP*

Richard Heap FCA (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

25 Farringdon Street

London

EC4A 4AB

United Kingdom

..... 17 March 2020



# GAMER NETWORK LIMITED


## STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2018

		Period ended 31 December 2018	Year ended 30 April 2018 as restated
	Notes	£	£
Turnover	4	6,904,165	7,338,495
Cost of sales		(2,388,691)	(2,749,980)
<b>Gross profit</b>		<b>4,515,474</b>	<b>4,588,515</b>
Distribution costs		(1,893,546)	(1,835,736)
Administrative expenses		(1,205,598)	(4,610,187)
<b>Operating profit/(loss)</b>	<b>8</b>	<b>1,416,330</b>	<b>(1,857,408)</b>
Interest receivable and similar income	9	12,600	12,611
Interest payable and similar expenses	10	-	(319)
<b>Profit/(loss) before taxation</b>		<b>1,428,930</b>	<b>(1,845,116)</b>
Tax on profit/(loss)	11	(229,110)	256,112
<b>Profit/(loss) for the financial period</b>		<b>1,199,820</b>	<b>(1,589,004)</b>

**GAMER NETWORK LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2018**

		31 December 2018		30 April 2018 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		682,749		535,407
Investments	14		95,750		95,750
			<u>778,499</u>		<u>631,157</u>
<b>Current assets</b>					
Debtors	18	6,533,857		5,019,093	
Cash at bank and in hand		1,142,444		488,153	
		<u>7,676,301</u>		<u>5,507,246</u>	
<b>Creditors: amounts falling due within one year</b>	19	(2,961,246)		(1,837,881)	
<b>Net current assets</b>			<u>4,715,055</u>		<u>3,669,365</u>
<b>Total assets less current liabilities</b>			<u>5,493,554</u>		<u>4,300,522</u>
<b>Provisions for liabilities</b>	20		-		(6,788)
<b>Net assets</b>			<u><u>5,493,554</u></u>		<u><u>4,293,734</u></u>
<b>Capital and reserves</b>					
Called up share capital	23		100		100
Share premium account	24		370,378		370,378
Equity reserve	24		1,360,000		1,360,000
Capital redemption reserve	24		10		10
Profit and loss reserves	24		3,763,066		2,563,246
<b>Total equity</b>			<u><u>5,493,554</u></u>		<u><u>4,293,734</u></u>

The financial statements were approved by the board of directors and authorised for issue on 16<sup>th</sup> March 2019 and are signed on its behalf by:

  
 .....  
 Mr A D S Bowden  
 Director

# GAMER NETWORK LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2018

	Notes	Share capital £	Share premium account £	Capital contribution reserve £	Capital redemption reserve £	Share-based payment reserve £	Profit and loss reserves £	Total £
<b>As restated for the period ended 30 April 2018:</b>								
<b>Balance at 1 May 2017</b>		88	-	-	10	1,280	3,899,818	3,901,196
<b>Year ended 30 April 2018:</b>								
Loss and total comprehensive income for the period		-	-	-	-	-	(1,589,004)	(1,589,004)
Issue of share capital	23	12	370,378	-	-	-	-	370,390
Dividends	12	-	-	-	-	-	(102,000)	(102,000)
Capital contribution		-	-	1,360,000	-	-	-	1,360,000
Credit to equity for equity settled share-based payments		-	-	-	-	353,152	-	353,152
Share options exercised		-	-	-	-	(354,432)	354,432	-
<b>Balance at 30 April 2018</b>		100	370,378	1,360,000	10	-	2,563,246	4,293,734
<b>Period ended 31 December 2018:</b>								
Profit and total comprehensive income for the period		-	-	-	-	-	1,199,820	1,199,820
<b>Balance at 31 December 2018</b>		100	370,378	1,360,000	10	-	3,763,066	5,493,554

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

---

### 1 Accounting policies

#### Company information

Gamer Network Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Gateway House, 28 The Quadrant, Richmond, Surrey, England, TW9 1DN.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

#### 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.

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. The principal accounting policies adopted are set out below.

#### Reduced disclosures

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of RELX Plc. These consolidated financial statements are publicly available from Companies House or its registered office, 1-3 Strand, London, WC2N 5JR.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

---

### 1 Accounting policies (Continued)

#### Going concern

Given the unpredictable nature and impact of the recent global outbreak, and recent developments in March 2020 which continue to change, management has performed a preliminary assessment on the financial impact on the business and on the basis of preparation of the accounts. The online publishing part of the business is not expected to be significantly impacted. The key impact will be on the Events part of the business, and this has already resulted in the announcement to delay EGX Rezzed until later in 2020. The company has the full financial support of its parent, RELX Plc.

At the time of approving the financial statements, the directors have a reasonable expectation that the company 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.

#### Reporting period

The reporting period presented in these financial statements is the period ended 31 December 2018 in order to bring the reporting date in line with that of the company's ultimate parent company and other group companies. The comparative information shown is for the year ended 30 April 2018 and therefore the amounts are not entirely comparable.

#### Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

#### Tangible fixed assets

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

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

Land and buildings leasehold	straight line over the life of the lease
Fixtures and fittings	25% reducing balance
Equipment	25% straight line
Motor vehicles	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 credited or charged to profit or loss.

#### Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2018

---

#### 1 Accounting policies (Continued)

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

##### **Impairment of fixed assets**

At each reporting period end date, the company 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.

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 is estimated to be less than its carrying amount, the carrying amount of the asset 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.

##### **Financial instruments**

The company 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 when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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 trade and other debtors and cash and bank balances, 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

##### **Other financial assets**

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

---

### 1 Accounting policies (Continued)

#### ***Impairment of financial assets***

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***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 company after deducting all of its liabilities.

#### ***Basic financial liabilities***

Basic financial liabilities, including trade and other creditors, 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.

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

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

#### ***Equity instruments***

Equity instruments issued by the company are recorded at the fair value of 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 company.

#### ***Taxation***

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable. Current and deferred tax is charged or credited to profit or loss.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

# **GAMER NETWORK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE PERIOD ENDED 31 DECEMBER 2018**

---

#### **1 Accounting policies (Continued)**

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

#### **Employee benefits**

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

#### **Retirement benefits**

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

#### **Share-based payments**

The company grants share options ("equity-settled share-based payments") to certain employees.

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

#### **Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.



# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2018

#### 1 Accounting policies (Continued)

##### Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

#### 2 Judgements and key sources of estimation uncertainty

In the application of the company'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.

#### 3 Prior period adjustment

##### Changes to the statement of financial position

	At 30 April 2018		
	As previously reported	Adjustment	As restated
	£	£	£
<b>Current assets</b>			
Debtors due within one year	3,659,093	1,360,000	5,019,093
<b>Creditors due within one year</b>			
Other taxation and social security	(563,148)	(144,882)	(708,030)
<b>Net assets</b>	<u>3,078,616</u>	<u>1,215,118</u>	<u>4,293,734</u>
<b>Capital and reserves</b>			
Capital contribution reserve	-	1,360,000	1,360,000
Profit and loss reserves	<u>2,708,128</u>	<u>(144,882)</u>	<u>2,563,246</u>
<b>Total equity</b>	<u>3,078,616</u>	<u>1,215,118</u>	<u>4,293,734</u>

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

### 3 Prior period adjustment (Continued)

#### Changes to the income statement

	Period ended 30 April 2018		
	As previously reported	Adjustment	As restated
	£	£	£
Administrative expenses	(4,465,305)	(144,882)	(4,610,187)

During the year material adjustments in respect of prior periods were identified, and in accordance with FRS 102 Section 10 - "Accounting policies, estimates and errors", the following prior period adjustments have been recognised to correct the accounting retrospectively:

#### Reclassification of group loan as capital contribution

The directors have reviewed the terms of intercompany loans with the parent company, and have determined that £1,360,000 of the loans owed to the parent were not repayable at 30 April 2018 as the parent company deemed this amount to represent part of its investment in the company. Accordingly this has increased amounts owed by parent by £1,360,000 which has been reclassified as a capital contribution included within a capital contribution reserve. This adjustment, which has had no impact on the company's loss for the year ended 30 April 2018, has increased net assets at that date by £1,360,000.

#### Employers National Insurance accrual

On 26 February 2018 the company was acquired by Reed Exhibitions Limited, and one employee held share options which were outstanding at the date of sale. These options were exercised at this date and, whilst tax payable was recognised on the option exercise, no amount was accrued in respect of Employers National Insurance subsequently paid on the share options exercised. This adjustment has increased the company's loss for the year ended 30 April 2018 by £144,882 and decreased net assets at that date by the same amount.

The tax impact of the above adjustments was to increase the deferred tax asset by £24,630 in respect of carry forward losses for the company which have been utilised in the current year.

### 4 Turnover and other revenue

An analysis of the company's turnover is as follows:

Turnover analysed by class of business	31 December 2018	30 April 2018
	£	£
Digital	6,165,173	6,248,296
Advertising	705,085	1,090,199
Other	33,907	-
	<u>6,904,165</u>	<u>7,338,495</u>

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

### 4 Turnover and other revenue (Continued)

	31 December 2018 £	30 April 2018 £
<b>Other revenue</b>		
Interest income	-	11
Dividends received	12,600	12,600
	<u>12,600</u>	<u>12,611</u>
	31 December 2018 £	30 April 2018 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	2,084,304	2,208,037
Rest of Europe	4,105,845	4,461,217
Rest of the World	714,016	669,241
	<u>6,904,165</u>	<u>7,338,495</u>

### 5 Exceptional costs

	31 December 2018 £	30 April 2018 £
One-off impairment losses	(3,797)	2,105,845
Share based payment costs	-	353,152
	<u>(3,797)</u>	<u>2,458,997</u>

In the previous year following the acquisition of the group in February 2018, management took the decision to rationalise the group's structure. This has led to the impairment of investments associated in respect of previous acquisitions, alongside the provision of certain balances owed by related companies. The effect of this is to recognise an expense of £2,105,845 in the previous year, of which £3,797 of the impairment losses have been reversed in the previous year relating to group balances.

In addition, last year the company's share options were exercised on the date of acquisition of the group and so an accelerated share based payments charge was recognised totalling £353,152.

Management consider the above figures to be material to the financial statements and so have shown these separately to better highlight the underlying trading performance of the company.

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

### 6 Employees

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

	31 December 2018 Number	30 April 2018 Number
Directors	5	4
Sales & marketing	13	5
Editorial	33	29
Tech	12	12
Administration	7	7
	<u>70</u>	<u>57</u>

Their aggregate remuneration comprised:

	31 December 2018 £	30 April 2018 As restated £
Wages and salaries	1,782,157	2,800,860
Social security costs	207,767	416,514
Pension costs	47,060	34,410
	<u>2,036,984</u>	<u>3,251,784</u>

### 7 Directors' remuneration

	31 December 2018 £	30 April 2018 £
Remuneration for qualifying services	123,032	546,769
Company pension contributions to defined contribution schemes	5,067	6,595
	<u>128,099</u>	<u>553,364</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (30 April 2018 - 1).

The number of directors who exercised share options during the period was 0 (30 April 2018 - 1).

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

### 7 Directors' remuneration (Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	31 December 2018 £	30 April 2018 £
Remuneration for qualifying services	n/a	514,369
Company pension contributions to defined contribution schemes	n/a	6,475

As total directors' remuneration was less than £200,000 in the current period, no disclosure is required to be provided for that period.

The highest paid director exercised options over 0 shares in the company in the period (30 April 2018 - 220 shares).

### 8 Operating profit/(loss)

	31 December 2018 £	30 April 2018 £
Operating profit/(loss) for the period is stated after charging:		
Exchange losses	20,068	172,270
Fees payable to the company's auditor for the audit of the company's financial statements	20,500	20,750
Depreciation of owned tangible fixed assets	110,186	137,784
Share-based payments	-	353,152
Operating lease charges	181,490	146,368

### 9 Interest receivable and similar income

	31 December 2018 £	30 April 2018 £
<b>Interest income</b>		
Interest on bank deposits	-	11
<b>Income from fixed asset investments</b>		
Income from shares in group undertakings	12,600	12,600
<b>Total income</b>	<b>12,600</b>	<b>12,611</b>

### 10 Interest payable and similar expenses

	31 December 2018 £	30 April 2018 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	-	319

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

### 11 Taxation

	31 December 2018 £	30 April 2018 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	205,564	-
Adjustments in respect of prior periods	-	(214,089)
<b>Total current tax</b>	<b>205,564</b>	<b>(214,089)</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	59,642	(42,023)
Adjustment in respect of prior periods	(36,096)	-
<b>Total deferred tax</b>	<b>23,546</b>	<b>(42,023)</b>
<b>Total tax charge/(credit)</b>	<b>229,110</b>	<b>(256,112)</b>

The total tax charge/(credit) for the period included in the income statement can be reconciled to the profit/(loss) before tax multiplied by the standard rate of tax as follows:

	31 December 2018 £	30 April 2018 £
Profit/(loss) before taxation	1,428,930	(1,845,116)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (30 April 2018: 19.00%)	271,497	(350,572)
Tax effect of expenses that are not deductible in determining taxable profit	57	475,790
Tax effect of income not taxable in determining taxable profit	(721)	-
Adjustments in respect of prior years	-	(214,089)
Group relief	-	123,793
Deferred tax adjustments in respect of prior years	(36,096)	-
Group income	(2,394)	(1,330)
Adjust deferred tax to average rate	(7,017)	5,412
Other permanent differences	-	(488,846)
Fixed asset differences	3,784	1,764
Losses carried back	-	191,966
<b>Taxation charge/(credit) for the period</b>	<b>229,110</b>	<b>(256,112)</b>

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

### 12 Dividends

	31 December 2018 £	30 April 2018 £
Interim paid	-	102,000

### 13 Tangible fixed assets

	Land and buildings leasehold £	Fixtures and fittings £	Equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 May 2018	445,056	88,317	491,063	73,430	1,097,866
Additions	161,417	61,746	34,365	-	257,528
At 31 December 2018	606,473	150,063	525,428	73,430	1,355,394
<b>Depreciation and impairment</b>					
At 1 May 2018	66,011	29,108	439,022	28,318	562,459
Depreciation charged in the period	43,544	20,159	25,848	20,635	110,186
At 31 December 2018	109,555	49,267	464,870	48,953	672,645
<b>Carrying amount</b>					
At 31 December 2018	496,918	100,796	60,558	24,477	682,749
At 30 April 2018	379,045	59,209	52,041	45,112	535,407

### 14 Fixed asset investments

	Notes	31 December 2018 £	30 April 2018 £
Investments in subsidiaries	15	95,513	95,513
Investments in associates	16	235	235
Investments in joint ventures	17	2	2
		95,750	95,750

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

### 14 Fixed asset investments (Continued)

#### Movements in fixed asset investments

	Shares in group undertakings and participating interests £
<b>Cost or valuation</b>	
At 1 May 2018 & 31 December 2018	2,045,251
<b>Impairment</b>	
At 1 May 2018 & 31 December 2018	1,949,501
<b>Carrying amount</b>	
At 31 December 2018	95,750
At 30 April 2018	95,750

### 15 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Gamer Events Limited	Gateway House, Events organisation 28 The Quadrant, Richmond, Surrey, England, TW9 1DN		Ordinary	100	
Gamer Edition Limited	As above	Creation and sale of games merchandise	Ordinary	100	
Out There Gaming Limited	As above	Video production	Ordinary	70	
VG247 Ltd	As above	Dormant	Ordinary	100	
RPS Gaming Ltd	As above	Dormant	Ordinary	100	
Gamer Network, Inc	1105 North Market St, Suite 501, Wilmington, Delaware	Information technology services	Ordinary	100	



# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

### 16 Associates

Details of the company's associates at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
NLife Ltd	5 Oakwood Drive, Loughborough, England, LE11 3QF	Internet publishing	Ordinary	23.5	

### 17 Joint ventures

Details of the company's joint ventures at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Digital Foundry Network Limited	Gateway House, 28 The Quadrant, Richmond, Surrey, England, TW9 1DN	Video production	Ordinary	50	

### 18 Debtors

	31 December 2018	30 April 2018 As restated
Amounts falling due within one year:	£	£
Trade debtors	809,620	758,410
Corporation tax recoverable	-	214,048
Amounts owed by group undertakings	218,195	1,465,431
Amounts owed by parent undertaking	4,655,238	1,921,791
Other debtors	33,315	60,189
Prepayments and accrued income	816,083	567,484
	<u>6,532,451</u>	<u>4,987,353</u>
Deferred tax asset (note 21)	1,406	31,740
	<u>6,533,857</u>	<u>5,019,093</u>

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

### 19 Creditors: amounts falling due within one year

	31 December 2018	30 April 2018 As restated
	£	£
Trade creditors	23,665	478,971
Amounts owed to group undertakings	1,963,993	152,893
Corporation tax	4,344	-
Other taxation and social security	54,110	708,030
Other creditors	15,629	18,368
Accruals and deferred income	899,505	479,619
	<u>2,961,246</u>	<u>1,837,881</u>

### 20 Provisions for liabilities

	Notes	31 December 2018 £	30 April 2018 £
Deferred tax liabilities	21	-	6,788
		<u>-</u>	<u>6,788</u>

### 21 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 31 December 2018 £	Liabilities 30 April 2018 £	Assets 31 December 2018 £	Assets 30 April 2018 £
<b>Balances:</b>				
Deaccelerated capital allowances	-	6,788	363	-
Tax losses	-	-	-	30,507
Short term timing differences	-	-	1,043	1,233
	<u>-</u>	<u>6,788</u>	<u>1,406</u>	<u>31,740</u>

	31 December 2018 £
<b>Movements in the period:</b>	
Liability/(Asset) at 1 May 2018	(24,952)
Charge to profit or loss	23,546
Liability/(Asset) at 31 December 2018	<u>(1,406)</u>

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

### 22 Retirement benefit schemes

	31 December 2018 £	30 April 2018 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	47,060	34,410

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. No amounts were owed at 31 December 2019 (30 April 2018: £nil).

### 23 Share capital

	31 December 2018 £	30 April 2018 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
2,000 Ordinary shares of 1p each	20	20
2,700 A Ordinary shares of 1p each	27	27
2,700 B Ordinary shares of 1p each	27	27
1,300 C Ordinary shares of 1p each	13	13
1,300 D Ordinary shares of 1p each	13	13
	<u>100</u>	<u>100</u>

All ordinary shares, which carry no right to fixed income, each carry the right to one vote at a general meeting of the company and are entitled to receive payment of any proposed dividends.

### 24 Reserves

#### Capital redemption reserve

The nominal value of shares repurchased and still held at the end of the reporting period.

#### Share-based payment reserve

The cumulative share-based payment expense.

#### Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

# GAMER NETWORK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2018

#### 25 Operating lease commitments

##### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	31 December 2018 £	30 April 2018 £
Within one year	112,500	112,500
Between one and five years	917,292	827,292
In over five years	673,333	857,083
	<u>1,703,125</u>	<u>1,796,875</u>

#### 26 Events after the reporting date

Due to the recent development in the global COVID-19 (coronavirus) pandemic, management has chosen to delay the April 2020 EGX Rezzed event until later in the year. As of now, no new date has been scheduled, although this is expected to take place in the Summer of 2020.

#### 27 Related party transactions

##### Transactions with related parties

During the period the company entered into the following transactions with related parties:

	Dividends received	
	31 December 2018 £	30 April 2018 £
Entities over which the entity has control, joint control or significant influence	<u>12,600</u>	<u>12,600</u>

	Commission paid		Services received	
	31 December 2018 £	30 April 2018 £	31 December 2018 £	30 April 2018 £
Entities over which the entity has control, joint control or significant influence	<u>1,100,628</u>	<u>931,178</u>	<u>120,000</u>	<u>75,618</u>

The following amounts were outstanding at the reporting end date:

	31 December 2018 £	30 April 2018 £
<b>Amounts due to related parties</b>		
Entities over which the entity has control, joint control or significant influence	<u>189,547</u>	<u>56,561</u>

## **GAMER NETWORK LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018**

---

#### **28 Ultimate controlling party**

The immediate parent company is Reed Exhibitions Ltd and RELX Plc is the ultimate parent company incorporated in the United Kingdom.

The largest group for which consolidated accounts including Gamer Network Limited are prepared is those of RELX Plc. The consolidated accounts of RELX Plc are available from its registered office, 1-3 Strand, London, WC2N 5JR.