

Creative Technology EME Limited

Annual report and financial statements

for the year ended 31 December 2021

Registered in England and Wales number: 05417688



Creative Technology EME Limited
Annual report and financial statements for the year ended 31
December 2021
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Creative Technology EME Limited

Directors and advisers

Directors

MA Wilson
D Naccarato
DA Crump

Company secretary

DM Leadbetter

Registered office

Units 2-4, Manor Gate
Manor Royal
Crawley
West Sussex
RH10 9SX

Creative Technology EME Limited

Strategic report for the year ended 31 December 2021

The directors, in preparing the strategic report, have complied with S414C of the Companies Act 2006.

The directors present their annual report and the financial statements of the company for the year ended 31 December 2021.

Business review, principal activities and future developments

The principal activity of the company is the holding of investments and the provision of financing and management services to members of the NEP UK Film I group.

A profit before tax of £5,659,000 was recorded during the year (2020: £4,667,000), as a result of interest received from subsidiaries (2020: interest received from subsidiaries).

Future developments of NEP Film I Limited, which includes the company, are discussed in the Strategic Report of the group's annual report which does not form part of this report.

Key Performance Indicators ("KPIs")

The key performance indicators for the company were as follows:

	2021 (£'000)	2020 (£'000)	Change (£'000)
Operating profit/ (loss)	508	(243)	751
Net assets	109,966	108,315	1,651

Principal risks and uncertainties

The company's business is subject to many different risk factors, which will have varying degrees of significance at any particular time. Although not an exhaustive list, the directors consider the most important risks and uncertainties to the business to be as follows: the economic and business cycle, future funding, exposure to counterparty credit risk and general risk management and internal control.

Principal risks and mitigating factors of NEP UK Film I Limited, which includes the company, are discussed in the Strategic Report of the group's annual report which does not form part of this report.

By order of the board and signed on its behalf by



MA Wilson
Director
17 November 2022

Creative Technology EME Limited
Units 2-4, Manor Gate, Manor Royal
Crawley, RH10 9SX

Creative Technology EME Limited
Registered in England and Wales number 05417688
Directors' report for the year ended 31 December 2021

The Directors present their report for the year ended 31 December 2021.

Dividends

A dividend of £4,023,208 was paid during the year (2020: £None). The directors do not recommend payment of a final dividend.

Directors

The names of the directors who held office during the year and up to the date of signing the financial statements are set out below:

MA Wilson
DA Crump
G Delon (resigned on 9 February 2022)
D Naccarato (appointed on 25 April 2022)

Going concern

The directors believe, after making appropriate enquiries that the company has adequate resources to continue in operation for the foreseeable future. Therefore, the directors continue to adopt the going concern basis in preparing the financial statements.

Directors' Indemnities

The company has purchased insurance to cover its Directors and officers against the costs of defending themselves in legal proceedings taken against them in that capacity and in respect of any damages resulting from those proceedings. The insurance does not provide cover where the director has acted fraudulently or dishonestly.

The company has also provided an indemnity for its directors, which is a qualifying third party indemnity provision for the purposes of section 234 of the Companies Act 2006. A copy of the indemnity is available for inspection at the company's registered office during normal working hours.

Creative Technology EME Limited
Registered in England and Wales number 05417688
Directors' report for the year ended 31 December 2021
(continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law 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), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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;
- state whether applicable UK Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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 Directors are 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.

By order of the board and signed on its behalf by



MA Wilson
Director
17 November 2022

Creative Technology EME Limited
Profit and loss account for the year ended 31 December 2021

	Note	31 December 2021 £'000	31 December 2020 £'000
Turnover	4	1,481	886
Administrative expenses		(973)	(1,141)
Other income		-	12
Operating profit/ (loss)	5	508	(243)
Interest receivable and other income	8	5,832	5,571
Interest payable and similar expenses	8	(681)	(661)
Profit on ordinary activities before taxation		5,659	4,667
Tax on profit	9	38	12
Profit for the financial year		5,697	4,679

All amounts relate to continuing operations.

Statement of Comprehensive Income for the year ended 31 December 2021

	Note	31 December 2021 £'000	31 December 2020 £'000
Profit for the financial year		5,697	4,679
Other comprehensive expense:			
Currency translation differences		(23)	(18)
Total comprehensive income for the year		5,674	4,661

Creative Technology EME Limited
Statement of changes in equity for the year ended 31
December 2021

	Note	Share capital £'000	Profit and loss account £'000	Total Equity £'000
Balance at 1 January 2021		27,695	80,620	108,315
Profit for the financial year		-	5,697	5,697
Other comprehensive expense		-	(23)	(23)
Total comprehensive income for the year		-	5,674	5,674
Transactions with owners in their capacity as owners:				
Dividend paid	10		(4,023)	(4,023)
Balance at 31 December 2021		27,695	82,271	109,966
Balance at 1 January 2020		27,695	75,959	103,654
Profit for the financial year		-	4,679	4,679
Other comprehensive expense		-	(18)	(18)
Total comprehensive income for the year		-	4,661	4,661
Transactions with owners in their capacity as owners:				
Dividend paid	10		-	-
Balance at 31 December 2020		27,695	80,620	108,315

The share capital account includes share capital and shares issued at nominal value only. The profit and loss account represents accumulated retained profit and loss.

Creative Technology EME Limited
Balance sheet as at 31 December 2021

	Note	31 December 2021 £'000	31 December 2020 £'000
Fixed assets:			
Tangible assets		-	-
Investments	11	12,407	12,407
		12,407	12,407
Current assets:			
Debtors: amounts falling due within one year	12	7,619	10,776
Debtors: amounts falling due after more than one year	12	108,709	103,259
Cash at bank and in hand		5	5
		116,333	114,040
Creditors: amounts falling due within one year	13	(12,280)	(11,262)
Net current assets		104,053	102,778
Total assets less current liabilities		116,460	115,185
Creditors: amounts falling due after more than one year	14	(6,494)	(6,870)
Net assets		109,966	108,315
Capital and reserves			
Share capital	16	27,695	27,695
Profit and loss account		82,271	80,620
Shareholders' funds		109,966	108,315

The notes on pages 8 to 19 are an integral part of these financial statements.

For the year ended 31 December 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements on pages 5 to 19 were approved by the board of directors on 17 November 2022 and were signed on its behalf by:



MA Wilson
Director

Creative Technology EME Limited

Notes to the Financial Statements for the year ended 31 December 2021

1 General information

Creative Technology EME Limited ("the company") is an investment holding company and also provides finance and management services to other members of the NEP UK Film I Limited group and its subsidiaries.

The company is a private company limited by shares and is incorporated and domiciled in the UK.

These financial statements cover the year ended 31 December 2021.

2 Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council ("FRS 102"). The financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006 and on the going concern basis. A summary of the more important accounting policies is set out below. These have been applied consistently throughout the current and prior periods.

The presentational currency of the Company is pounds sterling. The Company's functional currency is pounds sterling.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The company is a wholly owned subsidiary of NEP UK Film I Limited and is included in the consolidated financial statements of NEP UK Film I Limited which are publicly available (see note 18). Consequently the company has taken advantage of the following exemptions:

- Preparation of a cash flow statement in accordance with section 7 of FRS 102.
- Disclosure of transactions with other wholly owned members of the NEP UK Film I group or investees of the NEP UK Film I group qualifying as related parties in accordance with section 33 of FRS 102.
- Preparation of consolidated financial statements in accordance with section 228 of the Companies Act 2006.

Creative Technology EME Limited

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)

Foreign currency translation

Assets and liabilities in foreign currencies are translated into pounds sterling using exchange rates at the balance sheet date. Exchange differences are recognised as a separate component of equity where they arise from qualifying net investment hedges, otherwise exchange differences are recognised in the profit and loss account for the period.

Going concern

The directors believe, after making appropriate enquiries, that the company has adequate resources to continue in operation for the foreseeable future. Therefore, the directors continue to adopt the going concern basis in preparing the financial statements.

Tangible fixed assets

Tangible fixed assets are held at cost less accumulated depreciation. The cost of tangible fixed assets includes those costs which are directly attributable to purchasing the assets and bringing them into working condition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss account during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Administrative expenses' in the profit and loss account.

Depreciation of tangible fixed assets is calculated at rates estimated to write off the cost of each asset to its residual value using the straight line method over the following estimated useful economic lives:

Owned plant, equipment and vehicles	3 years
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The assets' useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. The company reviews its depreciation rates regularly during the year to take account of any changes in circumstances. When setting useful economic lives, the principal factors the company takes into account are the expected rate of technological developments, expected market requirements for the equipment and the intensity at which the assets are expected to be used.

Residual values are estimated at zero. Residual values are reviewed, and adjusted if appropriate, at each balance sheet date.

Depreciation is charged to 'Administrative expenses'.

Impairment of fixed assets

The carrying amount of the company's fixed assets is reviewed at each balance sheet date to determine whether there is any indication of impairment.

If an indicator of a possible impairment is noted, the need for any asset impairment provision is assessed by comparing the carrying value of the asset against the higher of fair value less costs to sell or value in use (recoverable amount). An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in administrative expenses in the profit and loss account. For the purposes of assessing impairment, the assets are grouped at the lowest levels for which they have separately identifiable cash flows (cash generating units).

Creative Technology EME Limited
Notes to the Financial Statements for the year ended 31
December 2021 (continued)

2 Accounting policies (continued)

Financial assets

a) Trade and other debtors

Trade and other debtors do not carry interest and are initially recognised at fair value, and subsequently carried at amortised cost, less any provision for any amount estimated to be irrecoverable.

b) Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

Investments

Investments in subsidiaries are accounted for at cost less impairment.

Trade creditors

Trade creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Current and deferred income tax

Current tax comprises the expected tax payable on the taxable income for the year and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are recognised on an undiscounted basis.

Turnover

Turnover comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the company's activities. Turnover is shown net of Value Added Tax, other sales taxes and customer discounts.

The Company recognises turnover when the following criteria have been met:

- Sales of services are recognised proportionally over the duration of the service or hire period.

Turnover recognised in the profit and loss account but not yet invoiced is held on the balance sheet within accrued income. Turnover invoiced but not yet recognised in the profit and loss account is held on the balance sheet within deferred income. Proceeds from the disposal of tangible fixed assets are not treated as turnover.

Creative Technology EME Limited

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)

Government grants

Government grants consist of amounts claimed under a number of government support programmes which were put in place to mitigate the impact of Coronavirus. These include the Coronavirus Job Retention Fund.

Government grants are recognised in accordance with the performance model. Grants that do not impose specified, future performance-related conditions on the recipient are recognised when the following criteria are met:

- The Company will comply with the conditions attached to the grant; and
- The grant proceeds are receivable.

Government grants are credited to Other Income within the profit and loss account.

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. No judgements have been made other than those involving estimation. The estimate that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below.

Impairment of investments in subsidiaries

The company makes an estimate of the recoverable value of investments in subsidiaries. The recoverable amount is based on forecast profitability of the subsidiary companies which requires significant judgement from management. Given the carrying value of investments in subsidiaries is determined by forecast performance, any variances between actual and forecast performance could have a significant impact on the carrying value of investments and the profit and loss account during the period.

4 Turnover

Turnover by geographical destination:

	31 December 2021 £'000	31 December 2020 £'000
United Kingdom	1,043	520
Mainland Europe	48	49
Rest of the world	390	317
Total	1,481	886

Creative Technology EME Limited
Notes to the Financial Statements for the year ended 31
December 2021 (continued)

5 Operating profit/ (loss)

Operating profit/ (loss) is stated after charging:

	31 December 2021 £'000	31 December 2020 £'000
Net foreign currency exchange differences	344	343

6 Directors' emoluments

Three of the directors were also directors of NEP UK Film I Limited, the ultimate parent company (2020: three of the directors). Their remuneration was for services to the group as a whole and this was paid by another group company. Their time is deemed inconsequential to the company and as such their remuneration has not been disclosed. Details of their remuneration for their services to the NEP UK Film I Limited group are disclosed in the NEP UK Film I Limited accounts, which are available as set out in note 18.

7 Employee information

The average monthly number of staff including directors employed by the company during the year was:

By activity

	31 December 2021 Number	31 December 2020 Number
Operations	-	-
Administration	6	6
Total	6	6

The aggregate payroll costs of these employees were as follows:

	31 December 2021 £'000	31 December 2020 £'000
Wages and salaries	988	568
Social security costs	122	73
Other pension costs	15	13
Total	1,125	654

The company participates in a group pension scheme and NEP UK Film I Limited has made group personal pension arrangements for its UK employees which provide benefits on a defined contribution basis. The assets of the scheme are held separately from those of the company by the pension providers. At the balance sheet date of December 2021 contributions of £4,968 were awaiting payment to the pension providers (2020: £4,377).

Creative Technology EME Limited
Notes to the Financial Statements for the year ended 31
December 2021 (continued)

8 Net finance costs

	31 December 2021 £'000	31 December 2020 £'000
Interest receivable and other income:		
Bank interest receivable	-	-
Interest receivable on amounts owed by group undertakings	5,832	5,571
Total interest receivable and other income	5,832	5,571
Interest payable and similar costs:		
Bank interest payable	-	(1)
Interest payable on amounts due to group undertakings	(681)	(660)
Total interest payable and similar expenses	(681)	(661)

9 Tax on profit

Analysis of taxation expense for the year

	31 December 2021 £'000	31 December 2020 £'000
Current income tax:		
Current tax on profit for the year	-	-
Foreign taxation	-	-
Total current tax	-	-
Deferred tax (note 17):		
Origination and reversal of timing differences	5	3
Adjustments in respect of prior periods	-	-
Effect of changes in tax rates	(43)	(15)
Total deferred tax	(38)	(12)
Total tax on profit	(38)	(12)

Creative Technology EME Limited
Notes to the Financial Statements for the year ended 31
December 2021 (continued)

9 Tax on profit (continued)

Factors affecting the tax charge

The taxation (credit) / charge for the period is different (2020: different) from the standard rate of corporation tax in the UK of 19.0% (2020: 19.0%). The differences are explained below

	31 December 2021 £'000	31 December 2020 £'000
Profit before taxation	5,659	4,667
Tax calculated at standard rate of corporation tax of 19.0% (2020: 19.0%)	1,075	887
Expenses not deductible/ (income not taxable) for tax purposes	-	-
Group relief claimed	(1,044)	(868)
Tax rate changes	(43)	-
Other unrecognised temporary differences	-	-
Movement in unrecognised tax losses	(26)	(31)
Adjustments in respect of prior periods	-	-
Total tax on profit	(38)	(12)

Factors affecting current and future tax charges

The directors believe that the future effective tax rate will be reduced below the UK standard rate by the availability of tax losses carried forward. Deferred tax has been recognised as at the balance sheet date (see note 17).

In his budget of 3 March 2021, the Chancellor of the Exchequer announced that the UK corporation tax rate will increase from 19% to 25% from 1 April 2023. This change was substantively enacted at the balance sheet date and has therefore been applied in the measurement of the company's deferred tax assets and liabilities at 31 December 2021.

10 Dividends

On 31 December 2021 Creative Technology EME Limited, a subsidiary of the Company, waived a loan of HKD 41,909,759 receivable from Creative Technology (Asia Pacific) Co., Limited, another group undertaking. The waiver of this loan has been classified as a dividend.

No dividends were paid during the prior period

Creative Technology EME Limited
Notes to the Financial Statements for the year ended 31
December 2021 (continued)

11 Investments

	Investments in subsidiaries £'000
Cost	
At 1 January 2021	22,873
Additions	-
At 31 December 2021	22,873
Provision for impairment	
At 1 January 2021	10,466
Impairment	-
Reversed on disposal	-
At 31 December 2021	10,466
Net book value	
At 31 December 2021	12,407
At 31 December 2020	12,407

The directors believe that the carrying value of the investments is supported by their underlying net assets.

Creative Technology EME Limited
Notes to the Financial Statements for the year ended 31
December 2021 (continued)

11 Investments (continued)

The company's subsidiary undertakings at 31 December 2021 were as follows:

Name	Country of incorporation	Main activity	Holding	Percentage ownership
Creative Technology Limited*	England & Wales	Trading	Ordinary shares	100%
The Wireless Works (UK) Limited	England & Wales	Dormant	Ordinary shares	100%
Avesco Services Limited*	England & Wales	Dormant	Ordinary Shares	100%
Creative Technology Spain SLU*	Spain	Trading	Ordinary Shares	100%
Creative Technology – Emirates LLC*	Dubai	Trading	Ordinary Shares	100%
NEP Visions Limited*	England & Wales	Dormant	Ordinary Shares	100%
Sports Technology Limited	England & Wales	Trading	Ordinary A shares	100%
Creative Technology (Audio Visual) Ireland Limited	Ireland	Trading	Ordinary Shares	100%
Eurotek Group Holdings Limited*	Ireland	Holding Company	Ordinary Shares	100%
Eurotek (Ireland) Limited	Ireland	Holding Company	Ordinary Shares	100%
Video Technology Qatar LLC*	Qatar	Trading	Ordinary Shares	100%
LED Investments International B.V.*	Netherlands	Holding Company	Ordinary shares	100%
Faber Audiovisuals DMCC	Dubai	Trading	Ordinary shares	100%
Creative Technology Saudi Arabia for Information Technology*	Saudi Arabia	Non-Trading	Ordinary Shares	100%

* Denotes subsidiaries directly held by Creative Technology EME Limited.

Creative Technology EME Limited

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

11 Investments (continued)

The registered office of the Group's subsidiary undertakings was Units 2-4, Manor Gate, Manor Royal, Crawley, RH10 9SX, with the exception of the following subsidiaries:

- Creative Technology Spain SL, Registro mercantil de Barcelona, tomo 40673, folio 96. Hoja B-358437, inscripción 14ª, Spain;
- Creative Technology – Emirates LLC, Plot 597978, Units 1-3, Dubai Investment Park 2, PO Box 282572, Dubai, United Arab Emirates;
- Faber Audiovisuals DMCC, Unit 206, DMCC Business Centre, Level No. 1, Jewellery & Gemplex 3, Dubai, United Arab Emirates;
- LED Investments International B.V., 22 Hemmemaweg, 9076 PH Sint Annaparochie, Netherlands;
- Video Technology Qatar LLC, PO Box 24863, Doha, Qatar;
- The registered office of Creative Technology (Audio Visual) Ireland Limited, Eurotek Group Holdings Limited and Eurotek (Ireland) Limited was Unit E, 61 Heather Road, Sandyford Industrial Estate, Dublin 18, Ireland
- Creative Technology Saudi Arabia for Information Technology, does not currently have a registered office.

12 Debtors

Amounts falling due within one year:	31 December 2021 £'000	31 December 2020 £'000
VAT recoverable	-	558
Amounts owed by group undertakings	7,283	9,898
Other debtors	136	159
Deferred taxation (note 17)	181	143
Prepayments	19	18
	7,619	10,776

Amounts owed by group undertakings are unsecured, repayable on demand and bear interest based upon local base rates.

Amounts falling due after more than one year:	31 December 2021 £'000	31 December 2020 £'000
Amounts owed by group undertakings	108,709	103,259
	108,709	103,259

Amounts owed by group undertakings falling due after more than one year are unsecured and bear interest based upon local base rates.

Creative Technology EME Limited
Notes to the Financial Statements for the year ended 31
December 2021 (continued)

13 Creditors: amounts falling due within one year

	31 December 2021 £'000	31 December 2020 £'000
Trade creditors	104	110
Amounts due to group undertakings	11,443	10,710
Taxation and social security	42	22
Other creditors	5	-
Accruals and deferred income	686	420
	12,280	11,262

Amounts due to group undertakings are unsecured, repayable on demand and bear interest based on local base rates.

14 Creditors: amounts falling due after more than one year

Amounts falling due after more than one year:	31 December 2021 £'000	31 December 2020 £'000
Amounts due to group undertakings	6,494	6,870
	6,494	6,870

See note 15 for further details of the maturity and security of borrowings.

15 Maturity of borrowings

Amounts due to group undertakings are required to be settled as follows:

	31 December 2021 £'000	31 December 2020 £'000
In less than one year	11,443	10,710
In one to two years	53	57
In two to five years	5,060	5,487
In more than five years	1,381	1,326
Total due to group undertakings	17,937	17,580

Amounts due to group undertakings are unsecured and bear interest based on EURIBOR.

16 Called up share capital

	31 December 2021 £'000	31 December 2020 £'000
Allotted, called up and fully paid 27,694,621 ordinary shares of £1 each	27,695	27,695

Creative Technology EME Limited
Notes to the Financial Statements for the year ended 31
December 2021 (continued)

17 Deferred taxation

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

No deferred tax liability exists at the balance sheet date (2020: nil). The current position with respect to deferred tax assets is as follows:

	Depreciation in excess of capital allowances £'000	Tax losses and other timing differences £'000	Total deferred tax assets £'000
Recognised deferred tax assets:			
At 31 December 2020	2	141	143
(Charged)/credited to the profit and loss account	1	37	38
At 31 December 2021	3	178	181
Unrecognised deferred tax assets:			
At 31 December 2021	-	925	925
At 31 December 2020	-	731	731

An element of the total deferred tax assets was unrecognised due to uncertainties concerning the extent and timing of recoverability, which are dependent upon the generation of taxable profits by the company's operations.

18 Ultimate parent and controlling party

The company's immediate parent company is Creative Technology Group Limited, a company registered in England & Wales. As at 31 December 2021 the ultimate parent company and controlling party was NEP Group Holdings, LP, a company incorporated in Delaware, USA. NEP Group Holdings, Inc. is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2021. The registered office of NEP Group Holdings, Inc., is 2 Beta Drive, Pittsburgh, PA 15238, USA.

The consolidated financial statements of NEP UK Film I Limited, the parent company of the smallest and only group to consolidate these financial statements in the United Kingdom may be obtained from the company secretary, NEP UK Film I Limited, Units 2-4, Manor Gate, Manor Royal, Crawley, West Sussex, RH10 9NH.