

Rockstar International Limited

Registered No. 05584724

Reports and Financial Statements

For the year ended 31 March 2019

MONDAY



L8JX66LM

LD5

09/12/2019

#110

COMPANIES HOUSE

Registered No. 05584724

Directors

R Hajaj
D Emerson

Company secretaries

D Emerson
HAL Management Limited

Auditors

Ernst & Young LLP
1 More London Place
London SE1 2AF

Solicitors

Harbottle & Lewis
7 Savoy Court
London
United Kingdom
WC2R 0EX

Bankers

JPMorgan Bank N.A
1 Knightsbridge
London
SW1X 7LX

Registered Office

7 Savoy Court
London
United Kingdom
WC2R 0EX

Strategic report

Registered No. 05584724

The directors present their Strategic report and financial statements for the year ended 31 March 2019.

Results and dividends

The profit for the year after taxation was £353,000 (2018 profit of £948,000) which will be transferred to reserves. The directors do not recommend the payment of a dividend (2018 – £0).

Principal activity and review of the business

The company's ultimate parent undertaking is Take-Two Interactive Software Inc, a leading global publisher, developer and distributor of interactive entertainment software. The immediate parent undertaking is Take Two International GmbH, a company incorporated in Switzerland.

The principal activity of the company during the financial year was to provide marketing execution and service functions to Take-Two Interactive Software UK Limited (TTI UK), which were carried out by an average of 37 full time employees in London.

Functions fulfilled by the company and related to TTI UK's publishing operations outside North America include;

- liaising with group companies in the UK, France, Germany, Spain, Italy, Benelux, Singapore and Australia; and
- management of the day-to-day execution of marketing strategies and delivery of marketing assets.

Turnover in 2019 in the UK represents the recharge made by the company to Take-Two Interactive Software UK Ltd as a remuneration of its activity during the year. The company's key financial and other performance indicators during the year were as follows:

| | 2019 | 2018 |
|-----------------------------|--------|--------|
| | £'000s | £'000s |
| Turnover | 9,677 | 6,685 |
| Operating profit | 572 | 279 |
| Profit for the year | 353 | 948 |
| Shareholders' funds | 1,682 | 1,329 |
| Average number of employees | 36 | 34 |

Strategic report (continued)

Registered No. 05584724

Principal risks and uncertainties

The directors have established controls to mitigate the following risks appropriate to the size and complexity of the business.

- Foreign exchange risk

The company is subject to risks and uncertainties against the fluctuations in the values of foreign currencies against the Great British Pound (£). This risk is limited as the majority of our intercompany receivable and payable balances are denoted in Great British Pound (£).

The company has established foreign exchange forecasting models to manage any exposure to foreign exchange fluctuations.

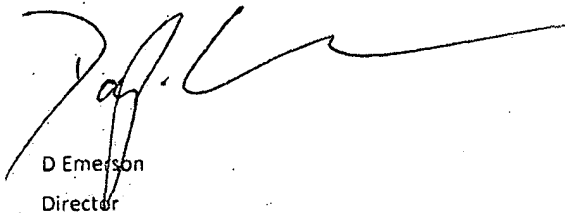
- Cash flow risk

The company has established cash forecasting models to manage cash flow within the constraints of the company's banking facilities.

- Brexit / political uncertainty

The company has undergone an exercise to assess the risk of political uncertainty surrounding Brexit and are comfortable that there will minimal impact and no risk to the company.

On behalf of the Board



D Emerson
Director

November 2019

Directors' report

Registered No. 05584724

The directors present their Directors' report and financial statements for the year ended 31 March 2019.

Results and dividends

The results are outlined in the Strategic Report on pages 2 and 3.

Going concern

The company's business activities along with its future developments, risks and uncertainties are laid out in the Strategic Report. The company provides marketing and service functions on a cost plus basis to Take-Two Interactive Software UK Limited and due to an intercompany pricing agreement, is guaranteed to make an operating profit, with Take-Two Interactive Software UK Limited trading operations expecting to continue.

Along with the ongoing support of Take-Two Interactive Software Inc, the company's ultimate parent company via a letter of parental support for at least 12 months from the date of the approval of the financial statements, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Directors

The directors of the company during the year and up to the date of signing these financial statements were as follows:

R Hajaj
D Emerson

Future developments

The company is planning to continue to provide marketing execution and service functions to Take-Two Interactive Software UK Ltd as Take-Two Interactive Software Inc continues to develop and publish key frontline entertainment products.

Disclosure of information to the auditors

Each of the persons who are directors at the time when this Directors' report is approved have confirmed that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that ought to have been taken as directors in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of Section 418 of the Companies Act 2006.

Strategic report (continued)

Registered No. 05584724

Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board



D. Emerson

Director

November 2019

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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) 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estim that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

Independent auditors' report

To the members of Rockstar International Limited

Opinion

We have audited the financial statements of Rockstar International Limited for the year ended 31 March 2019 which comprise the Income statement, the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes 1 to 13, 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 company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 below. 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.

Independent auditors' report (Continued)

To the members of Rockstar International Limited

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 this 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 the 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 year 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.

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 or directors' report.

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

Independent auditors' report (Continued)

To the members of Rockstar International Limited

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, 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 <https://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.

Ernst & Young LLP

Naresh Alimchandani (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

London

06 December 2019

Income statement

For the year ended 31 March 2019

| | | 2019 | 2018 |
|--|-------|------------|------------|
| | Notes | £000 | £000 |
| Turnover | 2 | 9,677 | 6,685 |
| Administrative expenses | | (9,105) | (6,406) |
| Operating Profit | 3 | 572 | 279 |
| Interest payable and other charges | | (146) | (43) |
| Profit on ordinary activities before taxation | | 426 | 236 |
| Tax on profit on ordinary activities | 6 | (73) | 712 |
| Retained profit for the financial year | | 353 | 948 |

The profit and loss account relates to continuing operations.

Statement of comprehensive income

For the year ended 31 March 2019

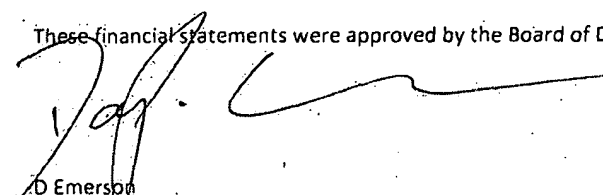
There are no comprehensive income/(losses) other than the profit of £353,000 attributable to the shareholders for the year ended 31 March 2019 (2018: £948,000).

Statement of financial position

As at 31 March 2019

| | | At 31 March 2019 | At 31 March 2018 |
|---|-------|---------------------|---------------------|
| | Notes | £000 | £000 |
| Fixed assets | | | |
| Tangible assets | 7 | 820 | 917 |
| | | <u>820</u> | <u>917</u> |
| Current assets | | | |
| Debtors: | 8 | | |
| amounts falling due within one year | | 6,319 | 3,078 |
| amounts falling due after one year | | 475 | 64 |
| Cash at bank | | 6,378 | 2,019 |
| | | <u>13,172</u> | <u>5,161</u> |
| Creditors: amounts falling due within one year | 9 | (12,190) | (4,590) |
| Net current assets | | <u>982</u> | <u>571</u> |
| Total assets less current liabilities | | <u>1,802</u> | <u>1,488</u> |
| Creditors: amounts falling due after one year | 9 | (120) | (159) |
| Net assets | | <u>1,682</u> | <u>1,329</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 1 | 1 |
| Share based payment reserve | | 1,681 | 1,328 |
| Profit and loss account | | <u></u> | <u></u> |
| Total equity shareholders' funds | | <u>1,682</u> | <u>1,329</u> |

These financial statements were approved by the Board of Directors and are signed on its behalf by:


D Emerson
Director
November 2019

Statement of changes in equity

for the year ended 31 March 2019

| | Called up Share capital £000 | Share based payment reserve £000 | Profit and loss account £000 | Total £000 |
|------------------------------|---------------------------------------|---|---------------------------------------|---------------|
| At 31 March 2017 | 1 | - | 380 | 381 |
| Profit for the year | - | - | 948 | 948 |
| Share based payment charge | - | 1,319 | - | 1,319 |
| Share based payment recharge | - | (1,319) | - | (1,319) |
| At 31 March 2018 | 1 | - | 1,328 | 1,329 |
| Profit for the year | - | - | 353 | 353 |
| Share based payment charge | - | 3,240 | - | 2,695 |
| Share based payment recharge | - | (3,240) | - | (2,695) |
| At 31 March 2019 | 1 | - | 1,681 | 1,682 |

Notes to the financial statements

For the year ended 31 March 2019

1. Accounting policies

Statement of compliance

Rockstar International Limited is a limited company incorporated in England and Wales. The registered office is shown on page 1, and the principal place of business is 555 Kings Road, London SW6 2EB.

The financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the company for the year ended 31 March 2019.

Basis of preparation

The financial statements of Rockstar International Limited have been prepared on a going concern basis, in accordance with applicable Accounting Standards in the United Kingdom and the Companies Act 2006. The financial statements are prepared under the historical cost convention.

The financial statements have been prepared in sterling, which is the functional currency of the company and rounded to the nearest £'000.

The company has taken advantage of the following disclosure exemptions under FRS 102:

- (a) the requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d)
- (b) the requirements of Section 11 Basic Financial Instruments paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a) (iii), 11.48 (a) (iv), 11.48(b), 11.48(c) and Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A
- (c) the requirements of Section 26 Share Based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23
- (e) the requirements of Section 33 Related Party Disclosures paragraph 33.7.

A summary of the more important accounting policies, which have been applied consistently throughout the financial year, is set out below.

Going Concern

The financial statements have been prepared on a going concern basis as the directors have received a letter of support from the ultimate parent company Take Two Interactive Software Inc that confirms its intention to support the company for the next 12 months from the date of signing of these financial statements.

Notes to the financial statements (continued)

For the year ended 31 March 2019

1. Accounting policies (continued)

Significant Accounting Judgements and Estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Taxation

The company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 10.

Tangible fixed assets

Property, plant and machinery are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life as follows:

| | | |
|-------------------------------|---|------------------------------|
| Computer and office Equipment | – | 3 to 5 years |
| Leasehold Improvements | – | Life of the underlying lease |

The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Notes to the financial statements (continued)

For the year ended 31 March 2019

1. Accounting policies (continued)

Software Development

The company incurs software development expenditure on behalf of its ultimate parent company, which is recharged to an affiliate.

Deferred taxation

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Pension costs

The company operates a funded defined contribution pension scheme for a certain number of its employees. The assets of the scheme are held separately from those of the company. The company's contributions to these schemes are charged to the profit and loss account when due (no contributions were prepaid as at 31 March 2019).

Leasing

Rental payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Lease incentives are spread over the term of the lease.

Share based transactions – Equity settled transactions

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined by the market price of the shares of the ultimate parent undertaking. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the company (market conditions). No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense, calculated on an employee by employee basis and allocated from the group level, since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity.

The company, which is part of the group plan recognises and measures its share based payment expense based on a reasonable allocation of the employee's period of service to the company.

Notes to the financial statements (continued)

For the year ended 31 March 2019

1. Accounting policies (continued)

Revenue

Turnover is recognised as the services are provided stated net of value added tax.

Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Receivables

Receivables are amounts due from group companies for services performed in the course of business. If collection is expected in one year or less, they are classified as current assets. If not they are represented as non-current assets.

Creditors

Creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers and group companies.

Loans and Borrowings

Interest-bearing loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

2. Turnover

Turnover of £9,677,000 (31 March 2018: £6,685,000) arises from the provision of marketing execution and service functions to its sister company, Take-Two Interactive Software UK Limited. Turnover is earned and accrued in the United Kingdom.

Notes to the financial statements (continued)

For the year ended 31 March 2019

3. Operating Profit

This is stated after charging:

| | 2019 | 2018 |
|--|-------|-------|
| | £000 | £000 |
| Depreciation of tangible fixed assets (note 7) | 257 | 218 |
| Auditors' remuneration – Audit of financial statements | 19 | 13 |
| Foreign exchange loss | 28 | 7 |
| Share based payment charge | 2,695 | 1,319 |
| Research and development costs (software development) | 1,031 | 725 |
| Rent | 240 | 246 |

4. Directors' emoluments

| | 2019 | 2018 |
|---|------|------|
| | £000 | £000 |
| Directors' emoluments | - | - |
| Company contribution to money purchase pension scheme | - | - |

Both directors were paid for by other group companies.

Notes to the financial statements (continued)

For the year ended 31 March 2019

5. Staff

The average monthly number of persons employed by the company during the year was:

| | 2019 | 2018 |
|------------------------|-----------|-----------|
| | No. | No. |
| <i>By activity</i> | | |
| Sales and distribution | 17 | 18 |
| Administration | 8 | 5 |
| Product Management | 11 | 11 |
| | <u>36</u> | <u>34</u> |

| | 2019 | 2018 |
|--|--------------|--------------|
| | £000 | £000 |
| <i>Staff costs (for the above persons)</i> | | |
| Wages and salaries | 2,413 | 2,223 |
| Social security costs | 336 | 732 |
| Other pension costs | 145 | 132 |
| Share based payment charge (note 12) | 3,240 | 1,319 |
| | <u>6,134</u> | <u>4,406</u> |

Notes to the financial statements (continued)

For the year ended 31 March 2019

6. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

| | 2019 | 2018 |
|---|-----------|--------------|
| | £000 | £000 |
| <i>Current tax:</i> | | |
| UK corporation tax at 19% (2018 – 19%) | (17) | (269) |
| Adjustment in respect of previous years | 67 | (39) |
| Total current tax (note 6b) | 50 | (308) |
| <i>Deferred tax:</i> | | |
| Current year temporary differences / change in rate | 23 | (404) |
| Total deferred tax (note 10) | 23 | (404) |
| Tax on profit on ordinary activities | 73 | (712) |

(b) Factors affecting the current tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2018 – 19%). The differences are explained below:

| | 2019 | 2018 |
|--|-----------|--------------|
| | £000 | £000 |
| Profit on ordinary activities before tax | 426 | 236 |
| Profit on ordinary activities multiplied by standard rate in the UK 19% (2018 – 19%) | 81 | 44 |
| <i>Effects of:</i> | | |
| Adjustment in respect of previous years (current and deferred tax) | 152 | (39) |
| Expenses not deductible for tax purposes | 22 | 4 |
| Net deduction on stock options | (144) | (381) |
| Other movements in respect of stock options | (38) | (340) |
| Tax charge for the year | 73 | (712) |

(c) Factors that may affect future tax charges

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted at the statement of financial position date.

The main UK corporation tax rate reduced from 20% to the current rate of 19% on 1 April 2018. The Finance Act 2016 includes legislation which will reduce the tax rate further to 17% from 1 April 2020. This became law when The Finance Act 2016 received Royal Assent on 15 September 2016. As all rate reductions were substantively enacted at the balance sheet date, deferred tax has been recognised at the applicable rates when timing differences are expected to reverse.

Notes to the financial statements (continued)

For the year ended 31 March 2019

7. Tangible fixed assets

| | <i>Leasehold improvements</i> | <i>Computer and Office equipment</i> | <i>Total</i> |
|---------------------------|-----------------------------------|--|--------------|
| | <i>£000</i> | <i>£000</i> | <i>£000</i> |
| Cost: | | | |
| At 1 April 2018 | 910 | 310 | 1,220 |
| Additions | 29 | 131 | 160 |
| At 31 March 2019 | 939 | 441 | 1,380 |
| Accumulated depreciation: | | | |
| At 1 April 2018 | 213 | 90 | 303 |
| Charge for the year | 148 | 109 | 257 |
| At 31 March 2019 | 361 | 199 | 560 |
| Net book value: | | | |
| At 31 March 2019 | 578 | 242 | 820 |
| At 1 April 2018 | 697 | 220 | 917 |

8. Debtors

| | 2019 | 2018 |
|--|-------------|-------------|
| | <i>£000</i> | <i>£000</i> |
| Amounts falling due within one year | | |
| Intercompany receivables | 4,577 | 977 |
| Prepayments | 464 | 1,398 |
| VAT | 1,261 | 252 |
| Deferred Tax | - | 434 |
| Income Tax Receivable | 17 | 269 |
| | 6,319 | 3,078 |
| Amounts falling due after one year | | |
| Deferred Tax | 475 | 498 |
| | 475 | 498 |

Notes to the financial statements (continued)

For the year ended 31 March 2019

9. Creditors

Amounts falling due within one year

| | 2019 | 2018 |
|---------------------------------------|---------------|--------------|
| | £000 | £000 |
| Trade creditors | 4,960 | 1,367 |
| SRNI | 4,568 | 511 |
| Other taxes and social security costs | | 96 |
| Accruals | 520 | 461 |
| Intercompany payables | 2,142 | 2,155 |
| | <u>12,190</u> | <u>4,590</u> |

Amounts falling due after one year

| | | |
|--------------|------------|------------|
| Accrued rent | 120 | 159 |
| | <u>120</u> | <u>159</u> |

10. Deferred tax

The recognised deferred taxation asset is as follows:

| | 2019 | 2018 |
|--|------------|------------|
| | £000 | £000 |
| Differences between capital allowances and depreciation | 2 | 64 |
| Unvested share options | 472 | 434 |
| | <u>474</u> | <u>498</u> |
| Asset at 1 April | 498 | 95 |
| (Debit) / Credit to the profit and loss account (note 6) | (23) | 403 |
| | <u>475</u> | <u>498</u> |

The directors believe that it is more likely than not that there will be sufficient taxable profits in future years to realise the deferred tax assets, and therefore the asset has been recognised in these financial statements.

Notes to the financial statements (continued)

For the year ended 31 March 2019

11. Issued share capital

| | 2019 | 2018 |
|---|------|------|
| <i>Authorised, allotted, called up and fully paid</i> | £000 | £000 |
| 1,000 ordinary shares of £1 each | 1 | 1 |

12. Employee share schemes

The following stock-based compensation plans are granted to certain employees of the company:

Restricted stock unit awards (RSU)

A restricted stock unit is the right to receive Common Share stock of the company's ultimate parent undertaking. The stock units vest if the employee remains in continuous service for a period of three years from the date of grant and the company meets various financial performance criteria. The stock units are awarded free of charge.

Restricted stock is issued and outstanding upon grant; holders of Restricted Stock awards are restricted from selling the shares until such time as they are vested. Upon vesting, the company will typically withhold shares to satisfy tax liabilities.

Stock Option Plan – '2002 Plan'

Employees may receive stock options to purchase shares of Take-Two Interactive Software Inc's common stock. The options vest if the employee remains in continuous service for a defined period of time from the date of grant and the company meets various financial performance criteria.

13. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Take Two International GmbH, a company incorporated in Switzerland.

The ultimate parent undertaking, controlling party and only company to consolidate the financial statements of the company is Take-Two Interactive Software Inc., a company incorporated in the United States of America. Copies of the group financial statements of Take-Two Interactive Software Inc. are available from 110 West 44th Street, New York, NY 10036, United States of America.