

**Registered number: 07805670**

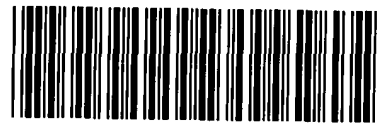
**FNATIC LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**SATURDAY**



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**COMPANIES HOUSE**

**FNATIC LIMITED**  
**REGISTERED NUMBER: 07805670**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	Restated 2019 £
<b>Fixed assets</b>			
Intangible assets	4	117,177	54,857
Tangible assets	5	130,670	142,699
		<u>247,847</u>	<u>197,556</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	18,407,715	15,130,617
Cash at bank and in hand	7	122,735	1,458,576
		<u>18,530,450</u>	<u>16,589,193</u>
Creditors: amounts falling due within one year	8	(28,654,238)	(24,213,256)
<b>Net current liabilities</b>		(10,123,788)	(7,624,063)
<b>Total assets less current liabilities</b>		<u>(9,875,941)</u>	<u>(7,426,507)</u>
<b>Net liabilities</b>		<u>(9,875,941)</u>	<u>(7,426,507)</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Other reserves		2,896,392	1,958,429
Profit and loss account		(12,772,433)	(9,385,036)
		<u>(9,875,941)</u>	<u>(7,426,507)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

02/09/2021



**S M D Mathews**  
Director

The notes on pages 5 to 13 form part of these financial statements.

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**FNATIC LIMITED**  
**REGISTERED NUMBER: 07805670**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2020**

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**FNATIC LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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	<b>Called up share capital</b>	<b>Other reserves</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	£	£	£	£
At 1 January 2020 (as restated)	100	1,958,429	(9,385,036)	(7,426,507)
Loss for the year	-	-	(3,387,397)	(3,387,397)
Share based payment charge	-	937,963	-	937,963
<b>At 31 December 2020</b>	<b>100</b>	<b>2,896,392</b>	<b>(12,772,433)</b>	<b>(9,875,941)</b>

The notes on pages 5 to 13 form part of these financial statements.

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**FNATIC LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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	<b>Called up share capital</b>	<b>Other reserves</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	£	£	£	£
At 1 January 2019	100	850,116	(4,945,074)	(4,094,858)
Loss for the year (as restated)	-	-	(4,439,962)	(4,439,962)
Share based payment charge	-	1,108,313	-	1,108,313
<b>At 31 December 2019 (as restated)</b>	<b>100</b>	<b>1,958,429</b>	<b>(9,385,036)</b>	<b>(7,426,507)</b>

The notes on pages 5 to 13 form part of these financial statements.

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## **FNATIC LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **1. General information**

Fnatic Limited is a private company, limited by shares, incorporated and domiciled in England and Wales, registration number 07805670. The registered office address is 2 Ebor Street, London E1 6AW. The company was incorporated on 11 October 2011 in the United Kingdom and Ireland.

The presentation currency of the financial statements is the Pound Sterling (£).

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### **2.2 Going concern**

The financial statements have been prepared on the going concern basis. The Directors have prepared cash flow forecasts through to 31 December 2022, covering the 12-month period beyond the signing date of these financial statements. These forecasts include forecasts of cash flows under various future reasonably likely scenarios and project the directors' best estimates of cash flows from expected revenue profiles from the continued operation and performance of the core Fnatic teams and products, together with projections of the results of future fundraising rounds.

Should the expected levels of revenue and fundraising not be reached, the directors have an expectation that the group could realise cost savings in the form of delayed stock ordering, delays in staff hiring or realising the value from the sale of some of Fnatic's assets.

Due to the continued support of existing shareholders and new investors who have contributed further funding post year end, and the various scenarios demonstrated through the forecasts where the group is able to continue to operate without additional funding, the Board has concluded that the use of the going concern assumption is appropriate in preparing these financial statements.

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## FNATIC LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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## 2. Accounting policies (continued)

### 2.3 Foreign currency translation

#### Functional and presentation currency

The Company's functional and presentational currency is GBP.

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

### 2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

#### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

### 2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

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## **FNATIC LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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## **2. Accounting policies (continued)**

### **2.6 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

### **2.7 Pensions**

#### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

### **2.8 Share based payments**

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance Sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

### **2.9 Taxation**

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.



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## FNATIC LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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## 2. Accounting policies (continued)

### 2.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Trademarks	-	10	years
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### 2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	-	20%	on straight-line method
Office equipment	-	33%	on straight-line method
Computer equipment	-	33%	on straight-line method

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

### 2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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**FNATIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.13 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.14 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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**FNATIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.15 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

**3. Employees**

The average monthly number of employees, including directors, during the year was 51 (2019 - 48).

**4. Intangible assets**

	<b>Trademarks £</b>
Cost	
At 1 January 2020	102,539
Additions	69,249
At 31 December 2020	<u>171,788</u>
Amortisation	
At 1 January 2020	47,682
Charge for the year on owned assets	6,929
At 31 December 2020	<u>54,611</u>
Net book value	
At 31 December 2020	<u><u>117,177</u></u>
At 31 December 2019	<u><u>54,857</u></u>

**FNATIC LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**5. Tangible fixed assets**

	Short-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2020	126,264	12,252	66,656	205,172
Additions	9,187	3,980	26,251	39,418
At 31 December 2020	135,451	16,232	92,907	244,590
Depreciation				
At 1 January 2020	13,758	3,850	44,866	62,474
Charge for the year on owned assets	26,596	4,715	20,136	51,447
At 31 December 2020	40,354	8,565	65,002	113,921
Net book value				
At 31 December 2020	95,097	7,667	27,905	130,669
At 31 December 2019	112,506	8,402	21,790	142,698

**6. Debtors**

	2020 £	Restated 2019 £
Trade debtors	1,304,716	573,004
Amounts owed by group undertakings	16,398,398	13,225,640
Other debtors	188,035	381,209
Prepayments and accrued income	516,566	950,764
	18,407,715	15,130,617

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**FNATIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**7. Cash and cash equivalents**

	<b>2020</b>	2019
	£	£
Cash at bank and in hand	122,735	1,458,575
Less: bank overdrafts	(250)	(10,096)
	<u>122,485</u>	<u>1,448,479</u>

**8. Creditors: Amounts falling due within one year**

	<b>2020</b>	2019
	£	£
Bank overdrafts	250	10,096
Trade creditors	390,936	615,006
Amounts owed to group undertakings	25,766,468	22,142,123
Other taxation and social security	209,224	232,522
Other creditors	41,479	97,647
Accruals and deferred income	2,245,881	1,115,862
	<u>28,654,238</u>	<u>24,213,256</u>

**9. Prior year adjustment**

In the prior year ending 31 December 2019, there was an error regarding intercompany recharges with Fnatic Business Services D.O.O (Serbia). The impact of this restatement is an increase in expenditure and amounts owed by group undertakings. The net impact on reserves is £239,988.

**10. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £43,814 (2019 - £27,744). Contributions totalling £9,745 (2019 - £16,419) were payable to the fund at the balance sheet date and are included in creditors.

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**FNATIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**11. Commitments under operating leases**

At 31 December 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	241,203	303,820
Later than 1 year and not later than 5 years	33,128	284,535
	<u>274,331</u>	<u>588,355</u>

**12. Related party transactions**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned group entities.

During the year Fnatic Limited were charged £30,310 (2019: £41,250) by Stonehaven Partners Limited (a company which is founded by one of the directors of Sannpa Limited). At the year end £Nil (2019: £4,500) was due to Stonehaven Partners Limited.

During the year Fnatic Limited were charged £22,854 (2019: £Nil) by Sports Entertainment Creative Consulting Capital SAS (a company with a common director). At the year end £7,618 (2019: £Nil) was due to Sports Entertainment Creative Consulting Capital SAS.

**13. Controlling party**

The parent company of Fnatic Limited is Sannpa Limited. The registered office is 2 Ebor Street, London, E1 6AW.

There is no ultimate controlling party.

**14. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2020 was unqualified.

The audit report was signed on 10/09/2021  
Haysmacintyre LLP.

by Ian Cliffe (Senior Statutory Auditor) on behalf of