

ORION MINTAKA (UK) LIMITED

UNAUDITED

FINANCIAL STATEMENTS

PAGES FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2019



ORION MINTAKA (UK) LIMITED
REGISTERED NUMBER:07984578

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	4	3,713,256	4,152,384
		<u>3,713,256</u>	<u>4,152,384</u>
Current assets			
Stocks	6	186,738	229,856
Debtors	7	4,687,052	4,114,548
Cash at bank and in hand		465,544	1,471,621
		<u>5,339,334</u>	<u>5,816,025</u>
Creditors: amounts falling due within one year	8	(2,149,456)	(3,309,769)
Net current assets		<u>3,189,878</u>	<u>2,506,256</u>
Net assets		<u><u>6,903,134</u></u>	<u><u>6,658,640</u></u>
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account		6,903,133	6,658,639
		<u><u>6,903,134</u></u>	<u><u>6,658,640</u></u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

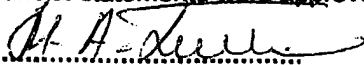
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 by



Mrs M Rakhimova-Smith

Director

Date: 14/2/2020

The notes on pages 2 to 7 form part of these financial statements.

ORION MINTAKA (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. General information

Orion Mintaka (UK) Limited is a private limited company limited by shares, incorporated in England and Wales within the United Kingdom. The company's registered office is at 21 Lombard Street, London, EC3V 9AH. The company's registration number is 07984578.

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 financial statements are presented in sterling which is the functional currency of the company.

The following principal accounting policies have been applied:

2.2 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.

Revenue is recognised upon deliver of written work to the publisher and royalty receipts recognised as revenue when reported to the company.

2.3 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.4 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Accounting policies (continued)

2.5 Taxation

Tax is recognised in the Statement of comprehensive income, 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 reporting date in the countries where the Company operates and generates income.

2.6 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.

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.

Copyrights are amortised over the period to which the revenue is earned by the company from the copyright titles. The copyrights are amortised over a period of between six and ten years.

Payment rights are amortised over four years on a straight line basis.

Trademarks are amortised over five years on a straight line basis.

2.7 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.

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:

Fixtures and fittings	- 20% on cost
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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 the Statement of comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Accounting policies (continued)

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 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.

2.10 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.

2.11 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.

2.12 Financial instruments

The Company only enters into basic financial instruments 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 and loans with related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Accounting policies (continued)**2.12 Financial instruments (continued)**

asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2018 - 2).

4. Intangible assets

	Copyrights £	Payment rights £	Trademarks £	Total £
Cost				
At 1 April 2018	16,018,041	590,296	32,802	16,641,139
At 31 March 2019	16,018,041	590,296	32,802	16,641,139
Amortisation				
At 1 April 2018	11,865,657	590,296	32,802	12,488,755
Charge for the year	439,128	-	-	439,128
At 31 March 2019	12,304,785	590,296	32,802	12,927,883
Net book value				
At 31 March 2019	3,713,256	-	-	3,713,256
At 31 March 2018	4,152,384	-	-	4,152,384

ORION MINTAKA (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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5. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2018	<u>1,517</u>
At 31 March 2019	<u>1,517</u>
Depreciation	
At 1 April 2018	<u>1,517</u>
At 31 March 2019	<u>1,517</u>
Net book value	
At 31 March 2019	<u><u>-</u></u>
At 31 March 2018	<u><u>-</u></u>

6. Stocks

	2019 £	2018 £
Work in progress	<u>186,738</u>	<u>229,856</u>
	<u><u>186,738</u></u>	<u><u>229,856</u></u>

7. Debtors

	2019 £	2018 £
Trade debtors	868,054	80,584
Amounts owed by group undertakings	1,071,043	-
Other debtors	3,165	17,137
Prepayments and accrued income	2,744,790	4,016,827
	<u><u>4,687,052</u></u>	<u><u>4,114,548</u></u>

ORION MINTAKA (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	182,815	42,689
Amounts owed to group undertakings	-	1,358,957
Corporation tax	1,448,526	1,423,034
Other taxation and social security	101,866	-
Accruals and deferred income	416,249	485,089
	<u>2,149,456</u>	<u>3,309,769</u>

9. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
1 (2018 - 1) Ordinary share of £1	<u>1</u>	<u>1</u>

10. Transactions with directors

As at 31 March 2019, the directors owed the company £2,066 (2018: £2,066). The loan is unsecured and has no fixed terms of repayment.