

Company Registration No. 10934694 (England and Wales)

Cloud Imperium Rights Ltd.

**Annual report and unaudited financial statements
for the year ended 31 December 2022**

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Cloud Imperium Rights Ltd.

Company information

Directors	Christopher Roberts Erin Roberts
Company number	10934694
Registered office	Manchester Goods Yard 6 Goods Yard Street Manchester United Kingdom M3 3BG

Cloud Imperium Rights Ltd.

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Cloud Imperium Rights Ltd.

Directors' report

For the year ended 31 December 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company continued to be that of acting as patent and copyright agents for the Cloud Imperium group.

Directors

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

Ortwin Freyermuth
Christopher Roberts
Erin Roberts

(Resigned 31 May 2023)

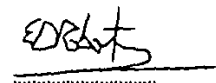
Audit exemption

Cloud Imperium Rights Ltd., as a guaranteed subsidiary of Cloud Imperium UK Ltd., has met the criteria set out in 479A-479C of the Companies Act 2006 and is claiming exemption from the audit of their individual accounts afforded by those sections for the year ended 31 December 2022.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Erin Roberts
Director

Date: 01 March 2024
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Cloud Imperium Rights Ltd.

**Directors' responsibilities statement
For the year ended 31 December 2022**

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).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Cloud Imperium Rights Ltd.

Income statement

For the year ended 31 December 2022

	2022	2021
	£	£
Turnover	70,365	54,642
Cost of sales	(67,015)	(52,040)
	<hr/>	<hr/>
Gross profit	3,350	2,602
Administrative expenses	(13,284)	(5,221)
	<hr/>	<hr/>
Loss before taxation	(9,934)	(2,619)
Tax on loss	-	-
	<hr/>	<hr/>
Loss for the financial year	<u>(9,934)</u>	<u>(2,619)</u>

Cloud Imperium Rights Ltd.

**Statement of financial position
As at 31 December 2022**

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	4	71,985		4,475	
Cash at bank and in hand		2,791		245	
		<u>74,776</u>		<u>4,720</u>	
Creditors: amounts falling due within one year	5	<u>(88,333)</u>		<u>(8,343)</u>	
Net current liabilities			<u>(13,557)</u>		<u>(3,623)</u>
Capital and reserves					
Called up share capital			1		1
Profit and loss reserves			<u>(13,558)</u>		<u>(3,624)</u>
Total equity			<u>(13,557)</u>		<u>(3,623)</u>

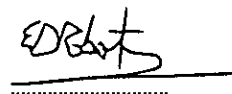
For the financial year ended 31 December 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 01 March 2024 and are signed on its behalf by:



Erin Roberts
Director

Company Registration No. 10934694

Cloud Imperium Rights Ltd.

Notes to the financial statements For the year ended 31 December 2022

1 Accounting policies

Company information

Cloud Imperium Rights Ltd. is a private company limited by shares incorporated in England and Wales. The registered office is Manchester Goods Yard, 6 Goods Yard Street, Manchester, United Kingdom, M3 3BG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

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

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

The financial statements of the company are consolidated in the financial statements of Cloud Imperium UK Ltd. These consolidated financial statements are available from its registered office, Manchester Goods Yard, 6 Goods Yard Street, Manchester, United Kingdom, M3 3BG.

1.2 Turnover

Turnover represents amounts receivable for services net of VAT.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Notes to the financial statements (continued)

For the year ended 31 December 2022

1 Accounting policies (continued)

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1 Accounting policies (continued)

1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.7 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Management consider there to be no key estimates or assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3 Employees

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

	2022 Number	2021 Number
Total	-	-

4 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Amounts owed by parent undertaking	71,355	4,385
Other debtors	630	90
	<u>71,985</u>	<u>4,475</u>

Amounts owed by parent undertaking due within one year are unsecured, interest free and repayable on demand.

5 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	3,788	534
Amounts owed to parent undertakings	-	1
Amounts owed to group undertakings	60,040	432
Other creditors	24,505	7,376
	<u>88,333</u>	<u>8,343</u>

Amounts owed to parent and group undertakings due within one year are unsecured, interest free and repayable on demand.

Cloud Imperium Rights Ltd.

Notes to the financial statements (continued)
For the year ended 31 December 2022

6 Related party transactions

Transactions with related parties

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

Cloud Imperium Rights, LLC	2022	2021
	£	£
Balance brought forward	(95)	(299)
Costs recharged in the period	(9,409)	204
	<u> </u>	<u> </u>
Amounts due to Cloud Imperium Rights, LLC	(9,504)	(95)
	<u> </u>	<u> </u>

The above company is considered a related party as Christopher Roberts is the ultimate party of Cloud Imperium Rights, LLC. The balance is owed at year end is included within other creditors.

The company has taken advantage of the exemption under paragraph 33.1a of FRS 102 from disclosing transactions entered into between two or more members of a group, where any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

7 Ultimate controlling party

The company's parent undertaking is Cloud Imperium UK Ltd, a company registered in England and Wales.

The smallest and largest group in which the results of the company will be consolidated is Cloud Imperium UK Ltd., a company registered in England and Wales. The consolidated financial statements of Cloud Imperium UK Ltd. are available to the public and may be obtained from Manchester Goods Yard, 6 Goods Yard Street, Manchester, United Kingdom, M3 3BG.

The ultimate controlling party is Christopher Roberts due to his majority shareholding in Cloud Imperium UK Ltd.