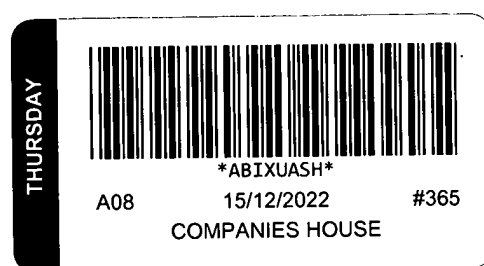


REGISTERED NUMBER: 11515002 (England and Wales)

**VOISEY ENTERTAINMENT LIMITED**  
**REPORT OF THE DIRECTOR AND**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**



**VOISEY ENTERTAINMENT LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**VOISEY ENTERTAINMENT LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**DIRECTOR:**

A M Porwal

**REGISTERED OFFICE:**

77 Shaftesbury Avenue  
Soho  
London  
United Kingdom  
W1D 5DU

**REGISTERED NUMBER:**

11515002 (England and Wales)

**AUDITORS:**

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

## **VOISEY ENTERTAINMENT LIMITED**

### **REPORT OF THE DIRECTOR FOR THE YEAR ENDED 31 DECEMBER 2021**

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The director presents his annual report together with the audited financial statements of Voisey Entertainment Limited (the 'Company') for the year ended 31 December 2021.

In the prior year, the Company changed its year-end date from 20 October 2020 to 31 December 2020. The comparative amounts presented in the financial statements (including the related notes) are, as a result, not comparable, as they represent a shortened period.

The director took advantage of the small companies' exemption in accordance with Section 415A of the Companies Act 2006 in not preparing a strategic report or enhanced business review.

#### **PRINCIPAL ACTIVITY**

The principal activity of the Company in the period under review was to provide research and development services to its parent company.

#### **DIRECTORS**

The directors of the Company during the year and up to the date of the signing of the financial statements, unless otherwise stated, were as follows:

A M Porwal

A L Reid - resigned 1 July 2022

#### **EVENTS AFTER THE BALANCE SHEET DATE**

No matters or circumstances have arisen since the end of the financial period that significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

#### **GOING CONCERN**

The Company has net assets of £24,458,218. The Company's parent company has provided a letter of support to enable the Company to settle all liabilities falling due up to 31 December 2023. The director has made enquiries and performed procedures to satisfy himself that the group will be able to provide the support pledged should it be called upon by the Company during the period. The director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the Company continues to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law, the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 102 has been followed, subject to any material departures disclosed and explained in the financial statements.
- notify the Company's shareholder in writing about the use of disclosure exemptions, if any, of FRS 102 in the preparation of financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

**VOISEY ENTERTAINMENT LIMITED**

**REPORT OF THE DIRECTOR  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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The director is 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 the director to ensure that the financial statements comply with the Companies Act 2006. The director is 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.


**Director's indemnities**

The Company's parent company maintains liability insurance that covers the Company's director. The Company's parent company has also provided an indemnity to the Company's director, which is a qualifying third-party indemnity provision for the purpose of the Companies Act 2006.

**AUDITORS**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

DocuSigned by:  
  
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A M Porwal - Director

Date: 7 December 2022

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VOISEY ENTERTAINMENT LIMITED**

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### **Opinion**

We have audited the financial statements of Voisey Entertainment Limited (the 'Company') for the year ended 31 December 2021 which comprise Income Statement and the Balance Sheet, and the related notes 1 to 12, 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 state of the Company's affairs as at 31 December 2021 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. 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 the provisions available for small entities, in the circumstances set out in note 2 to the financial statements, 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**

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern up to 31 December 2023.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

### **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 director is responsible for the other information contained within the annual report.

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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VOISEY ENTERTAINMENT LIMITED (CONTINUED)**

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### **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 director's 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the director's report and from the requirement to prepare a strategic report.

### **Responsibilities of the director**

As explained more fully in the director's responsibilities statement set out on page 2, the director is 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 director determines 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 director is 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 director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Auditors' 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.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006) and the relevant tax compliance regulations.
- We understood how the Company is complying with those frameworks by making enquiries of management. We corroborated our enquiries through review of Board minutes and papers provided by management, communication with management's legal counsel as well as considering the results of our audit procedures.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override.
- Based on this understanding we designed our audit procedures to respond to the identified fraud risk. Our procedures involved journal entry testing in relation the identified fraud risk with a focus on manual journals and large or unusual transactions based on our understanding of the business

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

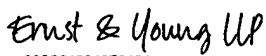
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
VOISEY ENTERTAINMENT LIMITED (CONTINUED)**

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**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.

DocuSigned by:

  
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Marais Muller (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP  
London

11 December 2022



## VOISEY ENTERTAINMENT LIMITED

INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2021

		Year Ended 31/12/2021 £	Period 21/10/2020 To 31/12/2020 £
	Notes		
<b>TURNOVER</b>		<b>68,438</b>	<b>24,474</b>
Administrative expenses		<u>(69,619)</u>	<u>(24,428)</u>
		<b>(1,181)</b>	<b>46</b>
Other income	3	<u>310,345</u>	<u>28,892,110</u>
<b>OPERATING PROFIT</b>		<b>309,164</b>	<b>28,892,156</b>
Interest receivable and similar income		<u>249,519</u>	<u>74,725</u>
<b>PROFIT BEFORE TAXATION</b>		<b>558,683</b>	<b>28,966,881</b>
Tax on profit	5	<u>(106,150)</u>	<u>(5,288,252)</u>
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		<u><b>452,533</b></u>	<u><b>23,678,629</b></u>

The Company has no other comprehensive income for the period other than the results above.

The notes form part of these financial statements

## VOISEY ENTERTAINMENT LIMITED (REGISTERED NUMBER: 11515002)

BALANCE SHEET  
31 DECEMBER 2021

		2021		2020	
	Notes	£	£	£	£
<b>CURRENT ASSETS</b>					
Debtors	7	29,759,685		29,362,294	
Cash at bank		<u>3,945</u>		<u>1,189</u>	
		29,763,630		29,363,483	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>5,305,412</u>		<u>5,357,798</u>	
<b>NET CURRENT ASSETS</b>			<u>24,458,218</u>		<u>24,005,685</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>24,458,218</u>		<u>24,005,685</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	9		1,642		1,642
Share premium	10		969,042		969,042
Capital Contribution Reserve	10		571,198		571,198
Retained earnings	10		<u>22,916,336</u>		<u>22,463,803</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>24,458,218</u>		<u>24,005,685</u>

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

The director took advantage of the small companies' exemption in accordance with Section 415A of the Companies Act 2006 in not preparing a strategic report or enhanced business review.

The financial statements were approved by the Board of Directors and authorised for issue on 7 December 2022 and were signed on its behalf by:

DocuSigned by:

A M Porwal

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A M Porwal - Director

The notes form part of these financial statements

**VOISEY ENTERTAINMENT LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021****1. STATUTORY INFORMATION**

Voisey Entertainment Limited is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES****Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

In the prior year, the Company changed its year-end date from 20 October 2020 to 31 December 2020. As a result, the information contained within the comparative financial statements relate to a shorter period of account. The reason for using a shorter period was in order to align the year-end date with the entity's parent company. The comparative amounts presented in the financial statements (including the related notes) are, as a result, not comparable, as they represent a shorter period.

**Turnover**

The Company generates revenue from the provision of research and development services. Revenue from provision of these services is recognised when it is probable that an economic benefit will flow to the entity and the revenue and costs can be reliably measured. Turnover represents the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Taxation**

Taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Financial assets**

Financial assets are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost, less any impairment.

**Financial liabilities and equity**

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (after deducting transaction costs) and subsequently held at amortised cost.

**Foreign currencies**

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items are carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognized within in profit or loss in the period in which they arise.

**VOISEY ENTERTAINMENT LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021****2. ACCOUNTING POLICIES - continued****Going concern**

The Company has net assets of £24,458,218. The Company's parent has provided a letter of support to enable the Company to settle all liabilities falling due up to 31 December 2023. The director has made enquiries and performed procedures to satisfy himself that the Company's parent will be able to provide the support pledged should it be called upon by the Company during the period. The director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the Company continues to adopt the going concern basis of accounting in preparing the annual financial statements.

**3. OTHER INCOME**

Other income for the year ended 31 December 2021 of £310,345 primarily relates to unrealized foreign exchange gains on monetary assets.

Other income for the period from 21 October 2020 to 31 December 2020 of £28,892,110 relates to the income generated from the sale of the Company's intellectual property and from the transfer of its workforce.

**4. EMPLOYEES**

The average number of employees during the period was NIL (2020: NIL).

**5. TAXATION****Analysis of the tax charge**

The tax charge on the profit for the period was as follows:

	Year Ended 31/12/2021 £	Period 21/10/2020 To 31/12/2020 £
Current tax:		
UK corporation tax	<u>106,150</u>	<u>5,288,252</u>
Tax on profit	<u>106,150</u>	<u>5,288,252</u>

**Factors affecting tax charge for the period**

The items accounting for the differences between tax on profit computed at the UK standard rate and recorded for tax on profit are as follows:

	Year Ended 31/12/2021 £	Period 21/10/2020 To 31/12/2020 £
Profit before tax	<u>558,683</u>	<u>28,996,881</u>
Tax at the UK Corporation standard rate of 19% (31 2020: 19%)	106,150	5,503,707
Effects of:		
Income not taxable	-	(30,661)
Recognition of previously unrecognised tax losses	-	(184,794)
Amounts not recognised	<u>-</u>	<u>91,521</u>
Total tax charge for the period	<u>106,150</u>	<u>5,288,252</u>

**VOISEY ENTERTAINMENT LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021****5. TAXATION - continued****Factors that may affect future tax charges**

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. A change to the UK corporation tax rate, announced in the Budget on 11 March 2020, was substantively enacted on 17 March 2020. The enacted change maintains the applicable UK tax rate at 19% rather than the previously enacted reduction to 17%. A further change to the UK corporation tax rate, announced in the Budget on 3 March 2021, was substantively enacted as part of Finance Act 2021 on 10 June 2021. The enacted change increases the UK tax rate to 25% (effective from 1 April 2023). As the rate increase was substantively enacted as of 31 December 2021, UK deferred taxes as at the balance sheet date is measured at the enacted rate of 25%.

**6. AUDITOR'S REMUNERATION**

Fees payable to Ernst & Young LLP and their associates for the audit of the Company's annual accounts of £17,500 were borne by another group entity and are not recharged to the Company.

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Amounts owed by group undertakings	<u>29,759,685</u>	<u>29,362,294</u>
	<u>29,759,685</u>	<u>29,362,294</u>

Amounts owed by group undertakings are unsecured and repayable within 12 months. The amounts owed either bear interest equal to LIBOR plus an arm's length interest rate spread, or do not bear any interest.

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Amounts owed to group undertakings	5,305,412	5,288,252
Taxation and social security	-	31,339
Trade creditors	-	27,707
Other creditors	-	10,500
	<u>5,305,412</u>	<u>5,357,798</u>

Amounts owed to group undertakings are unsecured and repayable within 12 months. The amounts owed do not bear any interest.

**9. CALLED UP SHARE CAPITAL**

Allotted, issued, and fully paid:

Number:	Class:	Nominal Value:	2021 £	2020 £
159,016	Ordinary Shares	£0.01	1,590	1,590
5,224	Deferred Shares	£0.01	52	52
			<u>1,642</u>	<u>1,642</u>

Ordinary shares have full voting and dividends rights and no rights of redemption.

The Deferred Shares do not carry any right to receive or participate in the proceeds of a share sale, to receive any dividend or other distribution of profits of the Company or any right to receive notice of or to attend, speak or vote at general meetings of the Company or to receive or vote on proposed written resolutions of the Company.

On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of shares), the surplus assets of the Company available for distribution after payment of its liabilities will be distributed (to the extent permitted by law) firstly, to the holders of Deferred Shares the sum of £1.00 for the entire class of Deferred Shares, which payment may be satisfied by the payment thereof to any of the holders of Deferred Shares.

**VOISEY ENTERTAINMENT LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021****10. RESERVES**

	Retained earnings £	Share premium £	Capital Contribution Reserve £	Totals £
At 31 December 2020	22,463,803	969,042	571,198	24,004,043
Profit for the year	452,533			452,533
At 31 December 2021	<u>22,916,336</u>	<u>969,042</u>	<u>571,198</u>	<u>24,456,578</u>

The capital contribution reserve represents amounts received from the Company's parent company for no consideration of shares.

**11. CONTROLLING PARTY**

The immediate parent of the Company is Snap Inc., a company incorporated in Delaware with its registered office at 3000 31st Street, Santa Monica, CA 90405.

Snap Inc. is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2021. The financial statements of Snap Inc. are available at <https://investor.snap.com>.

**12. EVENTS AFTER BALANCE SHEET DATE**

No matters or circumstances have arisen since the end of the financial period that significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.