

Company Registration No. 08240765 (England and Wales)

Firesprite Limited

**Annual report and financial statements
for the period ended 31 March 2022**

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Firesprite Limited

Company information

Directors	Rebecca McCormack	(Appointed 1 October 2021)
	James Ryan	(Appointed 1 October 2021)

Company number	08240765
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Registered office	10 Great Marlborough Street London W1F 7LP
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Independent auditor	PricewaterhouseCoopers LLP 1 Hardman Square Spinningfields Manchester M3 3EB
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Firesprite Limited

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Firesprite Limited

Strategic report

For the period ended 31 March 2022

The directors present the strategic report for the period ended 31 March 2022.

Fair review of the business

During the period, the company was involved in video games development.

In October 2021, Firesprite Limited and its subsidiaries was acquired by Sony Interactive Entertainment Europe Limited (part of the Sony Group) and at the date of signing these financial statements the company were developing video games solely for the Sony group.

The titles being developed during the period include The Horizon – Call of the Mountain on PS VR along with Guerrilla Games BV (another wholly owned subsidiary of the Sony Group) which is due to be released in February 2023 as well as another 2 unannounced AAA titles for release by Sony. No titles were released in the period.

The results for the financial period show a profit before tax of £141,303 (year ended 31 October 2020: £3,641,163) and at the period end had net assets of £6,316,285 (year ended 31 October 2020: £6,267,955). Turnover has increased for the period by 78% to £35,841,617 (year ended 31 October 2020: £20,187,607) due to the titles currently in development. The number of average employees increased from 123 to 219 to support the increased titles in production.

The directors do not monitor the performance of the company at a statutory level through the use of key performance indicators (KPI's). The Sony Group manages its business and manages the delivery of its strategic objective through the application of KPI's at a business group level.

Future developments

The directors do not expect any significant change to the current strategy and objectives of the Company. The Company will continue to work on high quality video games for the PlayStation platforms on behalf of other group companies.

Principal risks and uncertainties

The key risks for the Company includes:

- Principal risks for the Company include competition from other external software publishers, the downward price pressure on software and increasing costs to develop high quality next generation software titles. Management create and implement effective strategies to control these risks carefully monitoring the outcome of the strategies and the mitigation of these risks.
- The Coronavirus Disease 2019 ("COVID-19") pandemic has affected, and is expected to continue to affect the Company's business operations, operating results and financial condition.
- The timing and extent to which the pandemic further impacts the Company's business could vary greatly depending on future developments, such as the possible further spread of or a resurgence in COVID-19, the timing and extent to which COVID-19 declines as well as the state of lockdowns and other measures in various geographic areas around the EMEA region and their impact on macroeconomic conditions.

Firesprite Limited

Strategic report (continued)

For the period ended 31 March 2022

Change of financial year end

The financial year end of the company was changed from 31 October to 31 March. Accordingly, the current financial statements are prepared for the seventeen months from 1 November 2020 to 31 March 2022. As a result, the comparative figures stated in the income statement, statement of changes in equity and the related notes are not comparable.

The comparative information has also not been audited previously.

On behalf of the board

DocuSigned by:
James Ryan
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James Ryan
Director

24 March 2023
Date:

Firesprite Limited

Directors' report

For the period ended 31 March 2022

The directors present their annual report and financial statements for the period ended 31 March 2022.

Principal activities

The principal activity of the company continued to be that of video gaming development projects.

Results and dividends

The results for the period are set out on page 10.

No ordinary dividends were paid (year ended 31 October 2020: £185,880). The directors do not recommend payment of a final dividend.

Directors

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

Graeme Ankers	(Resigned 1 October 2021)
Rebecca McCormack	(Appointed 1 October 2021)
James Ryan	(Appointed 1 October 2021)
Marian Toole	(Appointed 1 October 2021 and resigned 28 February 2022)
Lee Carus	(Resigned 1 October 2021)
Stuart Lovegrove	(Resigned 1 October 2021)
Christopher Roberts	(Resigned 1 October 2021)
Stuart Tilley	(Resigned 1 October 2021)

Political donations

The company made no charitable or political donations in the current period (31 October 2020 : £nil)

Financial risk management

The company's operations expose it to a variety of risk that include the effects of credit risk, liquidity risk and currency risk. The policies set by the board of directors are implemented by the company's finance department. These policies seek to limit the adverse effects on the financial performance of the company.

The company manages its liquidity by monitoring the day-to-day cash flow needs of the business. The company monitors cashflow forecasts to ensure that sufficient liquidity exists within the company to settle liabilities as they fall due.

The company's activities are conducted primarily in Sterling, US dollars, Euros and Japanese Yen; this results in currency transaction risk. Variances affecting operational activities in this regard are reflected in operating costs in the income statement in the years in which they arise. The payments in this foreign currency can be made over an extended period which exposes the company to financial risk since the final Sterling, Euro, Japanese Yen or US dollar value of the contract can differ from the expectation when the contract was entered into. The company seeks to minimise potentially adverse effects on the company's financial performance by cashing foreign currency receipts into foreign currency bank accounts.

Firesprite Limited

Directors' report (continued)

For the period ended 31 March 2022

The company's credit risk is primarily attributable to its receivables on development agreements. The company continuously monitors customer credit levels and obtains, where necessary, external credit reports on customers. The amounts presented in the balance sheet are net of any allowance for doubtful debtors, based on prior year experience and an assessment of specific circumstances by the directors. All customers have a development contract, which reduces the risk of non-payment of receivables along with developing for fellow group companies.

Going concern

The directors of Firesprite Limited have prepared group cash flow forecasts for at least 12 months from the date of approval of these financial statements which indicate that, taking account a severe but plausible downside scenario, Firesprite Limited will have sufficient funds to meet its liabilities as they fall due for that year.

The directors have assessed the current net asset position of the company £6,316,285 (year ended 31 October 2020: £6,267,955), the cash requirements of the company over the next 12 months from the issuance of the financial statements and thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors are confident that Firesprite Limited will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

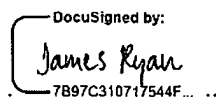
Auditor

Pricewaterhousecoopers were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

DocuSigned by:

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James Ryan
Director

Date: 24 March 2023

Firesprite Limited

**Directors' responsibilities statement
For the period ended 31 March 2022**

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

Independent auditors' report to the members of Firesprite Limited

Report on the audit of the financial statements

Opinion

In our opinion, Firesprite Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the period from 1 November 2020 to 31 March 2022;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the statement of financial position as at 31 March 2022; the income statement and the statement of changes in equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 for a period of at least twelve months from when the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the period ended 31 March 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to taxation legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and potential management bias in the selection and application of significant accounting judgements and estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions made by management in the selection and application of significant accounting judgements and estimates; and
- Identifying and testing the validity of journal entries, in particular any journal entries posted with unusual account combinations. We also performed unpredictable audit procedures.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Other matter

The financial statements for the year ended 31 October 2020, forming the corresponding figures of the financial statements for the period ended 31 March 2022, are unaudited.



Dev Solanki (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
24 March 2023

Firesprite Limited**Income statement****For the period ended 31 March 2022**

		Period ended 31 March 2022	Unaudited Year ended 31 October 2020 as restated
	Notes	£	£
Turnover	3	35,841,617	20,187,607
Cost of sales		(30,228,905)	(16,258,659)
Gross profit		5,612,712	3,928,948
Administrative expenses		(5,324,245)	(2,125,007)
Other operating income		96,504	112,057
Operating profit	4	384,971	1,915,998
Interest receivable and similar income	7	3,337	1,986,770
Interest payable and similar expenses	8	(247,005)	(261,605)
Profit before taxation		141,303	3,641,163
Tax on profit	9	(92,973)	(298,952)
Profit for the financial period		48,330	3,342,211

The income statement has been prepared on the basis that all operations are continuing operations.

Firesprite Limited**Statement of financial position
As at 31 March 2022**

		31 March 2022		Unaudited 31 October 2020 as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	11		11,672		11,925
Tangible assets	12		865,486		396,908
Investments	13		303		200
			<u>877,461</u>		<u>409,033</u>
Current assets					
Debtors	15	5,609,488		5,423,569	
Cash at bank and in hand		5,595,615		4,942,645	
			<u>11,205,103</u>		<u>10,366,214</u>
Creditors: amounts falling due within one year	16	(5,637,467)		(4,429,614)	
Net current assets			<u>5,567,636</u>		<u>5,936,600</u>
Total assets less current liabilities			<u>6,445,097</u>		<u>6,345,633</u>
Provisions for liabilities					
Deferred tax liability	18	128,812		77,678	
			<u>(128,812)</u>		<u>(77,678)</u>
Net assets			<u>6,316,285</u>		<u>6,267,955</u>
Capital and reserves					
Called up share capital	21		12		100
Capital redemption reserve			88		-
Profit and loss account			<u>6,316,185</u>		<u>6,267,855</u>
Total equity			<u>6,316,285</u>		<u>6,267,955</u>

Firesprite Limited

Statement of financial position (continued)
As at 31 March 2022

The notes on pages 14 to 36 are an integral part of the financial statements.

The financial statements on pages 10 to 36 were authorised for issue by the board of directors on 24 March 2023 and were signed on its behalf by:

DocuSigned by:
James Ryan
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James Ryan
Director

Company Registration No. 08240765

Firesprite Limited**Statement of changes in equity
For the period ended 31 March 2022**

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
As restated for the period ended 31 October 2020:					
Balance at 1 November 2019		100	-	3,111,524	3,111,624
Period ended 31 October 2020:					
Profit and total comprehensive income for the period		-	-	3,342,211	3,342,211
Dividends	10	-	-	(185,880)	(185,880)
Balance at 31 October 2020 (Unaudited)		100	-	6,267,855	6,267,955
Period ended 31 March 2022:					
Profit and total comprehensive income for the period		-	-	48,330	48,330
Redemption of shares	21	(88)	88	-	-
Balance at 31 March 2022		12	88	6,316,185	6,316,285

Firesprite Limited

Notes to the financial statements For the period ended 31 March 2022

1 Accounting policies

Company information

Firesprite Limited is a private company limited by shares incorporated in the United Kingdom. The registered office is 10 Great Marlborough Street, London, W1F 7LP.

1.1 Accounting convention

These financial statements have been prepared under the historical cost convention. The 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.

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 on the historical cost basis, except where the individual accounting policies state otherwise. The principal accounting policies adopted are set out below. These policies have been consistently applied to both periods presented unless otherwise stated.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company accounting policies (see note 2).

This 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 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': Interest income/expense and net gains/losses for financial instruments not measured at fair value; 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 Sony Group Corporation, a company incorporated in Japan. These consolidated financial statements are available from Sony Global Treasury Services Plc, 15th Floor, Commercial Union Tower, 1 Undershaft, London, EC3A 8EE.

Firesprite Limited

Notes to the financial statements (continued) **For the period ended 31 March 2022**

1 Accounting policies (continued)

1.2 Reporting period

The financial year end of the company was changed from 31 October to 31 March. Accordingly, the current financial statements are prepared for the seventeen months from 1 November 2020 to 31 March 2022. As a result, the comparative figures stated in the income statement, statement of changes in equity and the related notes are not comparable.

The comparative information has also not been audited previously.

1.3 Going concern

The directors of Firesprite Limited have prepared group cash flow forecasts for at least 12 months from the date of approval of these financial statements which indicate that, taking account a severe but plausible downside scenario, Firesprite Limited will have sufficient funds to meet its liabilities as they fall due for that year.

The directors have assessed the current net asset position of the company £6,316,285 (year ended 31 October 2020: £6,267,955), the cash requirements of the company over the next 12 months from the issuance of the financial statements and thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors are confident that Firesprite Limited will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.4 Turnover

Turnover arises from the provision of video game development activities, intergroup trading and royalties.

Development turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business as stipulated by development agreements, and is shown net of VAT and other sales related taxes. Turnover from such agreements is generally recognised over time as the development activity takes place with reference to contractual milestones and as the risk and rewards are transferred to its customers.

Intergroup turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business as stipulated by development agreements, and is shown net of VAT and other sales related taxes.

Royalties are recognised when the significant risks and rewards of ownership have passed to the buyer, the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity.

1.5 Cost of sales

Video game development costs and development fees are recognised in costs of sales in the period in which they are incurred.

Firesprite Limited

Notes to the financial statements (continued)
For the period ended 31 March 2022

1 Accounting policies (continued)**1.6 Research and development expenditure**

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated. No development costs have been capitalised during the current period or prior year.

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	25% straight line
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1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and Fittings	25% straight line
Computer Equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.9 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Firesprite Limited

Notes to the financial statements (continued) For the period ended 31 March 2022

1 Accounting policies (continued)

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.10 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.11 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.

1.12 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.

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**1 Accounting policies (continued)*****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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

Firesprite Limited**Notes to the financial statements (continued)****For the period ended 31 March 2022****1 Accounting policies (continued)*****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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.13 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.

1.14 Taxation

The tax expense represents the sum of the tax currently payable, tax currently recoverable 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.

Current tax recoverable

The tax currently recoverable is based on relievable losses arising in the period as a result of video game tax relief legislation. Relievable losses differ from net losses as reported in the profit and loss account because they include an additional deduction relating to qualifying high-end television production expenditure and exclude items of income or expense that are taxable or deductible in other periods, as well as items that are never taxable or deductible. The company's tax position is calculated using rates that have been enacted or substantively enacted by the reporting end date.

Firesprite Limited

Notes to the financial statements (continued)

For the period ended 31 March 2022

1 Accounting policies (continued)***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.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense inline with the employee service being performed.

1.17 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Firesprite Limited

Notes to the financial statements (continued)

For the period ended 31 March 2022

1 Accounting policies (continued)

1.18 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.19 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.

1.20 Consolidated financial statements

The company is a wholly owned subsidiary of Sony Interactive Entertainment Europe Limited and of its ultimate parent, Sony Group Corporation. It is included in the consolidated financial statements of Sony Group Corporation which are publicly available. The company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Sony Group Corporation. The consolidated financial statements of Sony Group Corporation are publicly available and can be obtained from Sony Global Treasury Services Plc, 15th Floor, Commercial Union Tower, 1 Undershaft, London, EC3A 8EE.

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.

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**2 Critical accounting judgements and key sources of estimation uncertainty (continued)****Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Video Games Tax Relief estimate

The key accounting estimate within the financial statements for this company is the valuation of the video games tax relief available. The estimate is based on the assessment of the value of qualifying expenditure as per HMRC legislation and guidance plus assessment of the qualification of the underlying game as eligible for the tax relief.

In the directors' opinion, there were no other critical judgements or other estimation uncertainties in these financial statements.

3 Turnover

	Period ended 31 March 2022 £	Year ended 31 October 2020 £
Turnover analysed by class of business		
Development turnover	18,033,167	11,395,607
Intergroup turnover	17,744,180	8,675,416
Royalties	64,270	116,584
	<u>35,841,617</u>	<u>20,187,607</u>

	Period ended 31 March 2022 £	Year ended 31 October 2020 £
Turnover analysed by geographical market		
United Kingdom	24,507,317	17,487,390
United States of America	3,100,831	378,332
Asia	3,946,068	2,307,520
Europe	4,287,400	14,365
	<u>35,841,616</u>	<u>20,187,607</u>

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**4 Operating profit**

	Period ended	Year ended
	31 March	31 October
	2022	2020
	£	£
Operating profit for the period is stated after charging/(crediting):		
Exchange gains	(167,162)	(21,669)
Research and development costs	5,661,840	14,334
Research and development credit	(610,104)	-
Video games tax relief	(96,505)	(112,057)
Fees payable to the company's auditor for the audit of the company's and its subsidiaries financial statements	65,000	-
Depreciation of owned tangible fixed assets	346,104	126,173
Loss on disposal of tangible fixed assets	33,771	9,660
Amortisation of intangible assets	6,199	7,456
Operating lease charges	256,098	167,751

The directors believe the research and development costs incurred in the period qualify for research and development credits £610,104 (31 October 2020 : £nil).

5 Employees

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

	Period ended	Year ended
	31 March	31 October
	2022	2020
	Number	Number
Development staff	197	106
Support staff	22	17
Total	219	123

Firesprite Limited**Notes to the financial statements
For the period ended 31 March 2022****5 Employees (continued)**

Their aggregate remuneration comprised:

	Period ended 31 March 2022 £	Year ended 31 October 2020 £
Wages and salaries	17,459,181	4,566,026
Social security costs	2,192,320	470,654
Other pension costs	389,880	93,490
	<u>20,041,381</u>	<u>5,130,170</u>

6 Directors' remuneration

	Period ended 31 March 2022 £	Year ended 31 October 2020 £
Remuneration for qualifying services	431,214	110,654
Company pension contributions to defined contribution schemes	6,018	13,188
	<u>437,232</u>	<u>123,842</u>

Directors' remuneration includes remuneration for qualifying services from 1 November 2020 to termination on 1 October 2021 for the 5 directors in office (31 October 2020 : 5).

The number of directors for whom retirement benefits are accruing under defined contribution schemes until termination amounted to 5 (31 October 2020 - 5).

From the 1 October 2021, all directors were not remunerated by the company and have been remunerated from other group undertakings (31 October 2020 : 0).

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**6 Directors' remuneration (continued)**

Remuneration disclosed above include the following amounts paid to the highest paid director:

	Period ended 31 March 2022 £	Year ended 31 October 2020 £
Remuneration for qualifying services	86,242	22,194
Company pension contributions to defined contribution schemes	1,204	2,637

7 Interest receivable and similar income

	Period ended 31 March 2022 £	Year ended 31 October 2020 £
Interest income		
Other interest income	3,337	487
Other income from investments		
Dividends received	-	1,986,283
Total income	3,337	1,986,770

8 Interest payable and similar expenses

	Period ended 31 March 2022 £	Year ended 31 October 2020 £
Interest on bank overdrafts and loans	239,884	261,605
Other interest	7,121	-
	247,005	261,605

Firesprite Limited**Notes to the financial statements
For the period ended 31 March 2022****9 Taxation**

	Period ended 31 March 2022 £	Year ended 31 October 2020 £
Current tax		
UK corporation tax on profits for the current period	15,689	298,952
Adjustments in respect of prior periods	6,579	-
Total current tax	22,268	298,952
Deferred tax		
Origination and reversal of timing differences	51,134	-
Previously unrecognised tax loss, tax credit or timing difference	19,571	-
Total deferred tax	70,705	-
Total tax charge	92,973	298,952

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**9 Taxation (continued)**

The actual charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	Period ended 31 March 2022 £	Year ended 31 October 2020 £
Profit before taxation	141,303	3,641,163
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	26,848	691,821
Tax effect of expenses that are not deductible in determining taxable profit	35,722	16,553
Tax effect of income not taxable in determining taxable profit	-	(2,129)
Adjustments in respect of prior years	6,579	-
Other permanent differences	73,344	(26,894)
Deferred tax adjustments in respect of prior years	2,894	(18,357)
Dividend income	-	(377,394)
Remeasurement of deferred tax for changes in tax rates	30,915	15,352
R&D tax credits	23,511	-
Video game development tax profit adjustment	(72,075)	-
Fixed asset differences	(34,765)	-
Taxation charge for the period	92,973	298,952

The Finance Act 2023, which was substantively enacted on 10 January 2023, included provisions to increase the rate of UK corporation tax to 25% with effect from 1 April 2023 from 19%. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**10 Dividends**

	Period ended 31 March 2022 £	Year ended 31 October 2020 £
Interim paid to shareholders	-	185,880

11 Intangible fixed assets

	Software £
Cost	
At 1 November 2020	19,381
Additions	5,946
At 31 March 2022	25,327
Amortisation and impairment	
At 1 November 2020	7,456
Amortisation charged for the period	6,199
At 31 March 2022	13,655
Carrying amount	
At 31 March 2022	11,672
At 31 October 2020	11,925

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**12 Tangible fixed assets**

	Fixtures and Fittings	Computer Equipment	Total
	£	£	£
At 1 November 2020	62,625	526,803	589,428
Additions	2,934	845,519	848,453
Disposals	(13,670)	(132,957)	(146,627)
At 31 March 2022	51,889	1,239,365	1,291,254
At 1 November 2020	27,656	164,864	192,520
Depreciation charged in the period	20,792	325,312	346,104
Eliminated in respect of disposals	(10,171)	(102,685)	(112,856)
At 31 March 2022	38,277	387,491	425,768
Carrying amount			
At 31 March 2022	13,612	851,874	865,486
At 31 October 2020	34,969	361,939	396,908

13 Fixed asset investments

	Notes	31 March 2022	31 October 2020
		£	£
Investments in subsidiaries	14	303	200

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**13 Fixed asset investments (continued)****Movements in fixed asset investments**

	Shares in subsidiaries £
Cost or valuation	
At 1 November 2020	200
Additions	103
At 31 March 2022	303
Carrying amount	
At 31 March 2022	303
At 31 October 2020	200

On 1 October 2021, the company acquired 100% of the share capital of Fabrik Games Limited.

14 Subsidiaries

Details of the company's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Firesprite Games Limited	*	Video game development	Ordinary	100.00	-
Icesprite Limited	*	Video game development	Ordinary	100.00	-
Fabrik Games Limited	*	Video game development	Ordinary	100.00	-
Fabrik Productions Limited	*	Video game development	Ordinary	-	100.00

Registered office addresses (all UK unless otherwise indicated):

* 10 Great Marlborough Street, London, United Kingdom, W1F 7LP

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**14 Subsidiaries (continued)**

Name of undertaking	Capital and Reserves £	Profit/(Loss) after tax £
Firesprite Games Limited	2,737,624	2,737,524
Icesprite Limited	1,730	1,630
Fabrik Games Limited	50,437	19,272
Fabrik Productions Limited	3,566	3,466

15 Debtors

	31 March 2022 £	31 October 2020 £
Amounts falling due within one year:		
Trade debtors	788,832	1,154,536
Corporation tax recoverable	690,920	299,089
Amounts owed by subsidiaries	880,332	3,013,535
Amounts owed by other group undertakings	2,568,765	-
Other debtors	159,455	309,096
Prepayments and accrued income	521,184	647,313
	<u>5,609,488</u>	<u>5,423,569</u>

Amounts owed by subsidiaries and other group undertakings due within one year are unsecured, interest free and repayable on demand.

16 Creditors: amounts falling due within one year

		31 March 2022 £	31 October 2020 £
	Notes		
Obligations under finance leases	17	91,247	-
Trade creditors		55,280	710,761
Corporation tax		-	504,685
Other taxation and social security		1,068,315	161,383
Deferred income	19	1,709,722	1,885,596
Other creditors		8,606	-
Accruals		2,704,297	1,167,189
		<u>5,637,467</u>	<u>4,429,614</u>

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**17 Finance lease obligations**

	31 March 2022	31 October 2020
	£	£
Future minimum lease payments due under finance leases:		
Within one year	91,247	-

Finance lease payments represent rentals payable by the company for certain items of computer equipment which has a net book value of £32,041 (31 October 2020 : £nil). Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 31 March 2022	Liabilities 31 October 2020
	£	£
Balances:		
Accelerated capital allowances	128,812	77,678

	2022
	£
Movements in the period:	
Liability at 1 November 2020	77,678
Charge to profit or loss	51,134
Liability at 31 March 2022	128,812

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

The Finance Act 2023, which was substantively enacted on 10 January 2023, included provisions to increase the rate of UK corporation tax to 25% with effect from 1 April 2023 from 19%. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**19 Deferred income**

	31 March 2022	31 October 2020
	£	£
Deferred income	<u>1,709,722</u>	<u>1,885,596</u>

20 Retirement benefit schemes

	Period ended 31 March 2022	Year ended 31 October 2020
	£	£
Defined contribution schemes		
Charge to income statement in respect of defined contribution schemes	<u>387,117</u>	<u>93,490</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

21 Share capital

	31 March 2022	31 October 2020	31 March 2022	31 October 2020
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary A & B shares of 0.125p each (31 October 2020 of £1)	<u>10,000</u>	<u>100</u>	<u>12</u>	<u>100</u>

During the period on the 18 August 2021 the company sub - divided the Ordinary A & B shares into 4000 A shares of £0.00125 and 6000 B shares of £0.01583. On the 18 August 2021, the 6000 Ordinary B shares were divided into Ordinary B shares of £0.00125 by cancelling £0.01458 paid up on each of its Ordinary B shares. £88 has been credited to the capital redemption reserve.

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**22 Operating lease commitments****Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2020
	£	£
Within one year	46,180	255,821
Between two and five years	-	46,180
	<u>46,180</u>	<u>302,001</u>

23 Related party transactions

The company has taken advantage of the exemption under paragraph 1AC.35 of FRS102 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.

24 Directors' transactions

Dividends totalling £nil (31 October 2020 - £185,880) were paid in the period in respect of shares held by the company's directors.

On 14 September 2021, Firesprite Limited acquired the shares of Fabrik Games Limited a company also owned by a director for £103.

As at the period end £nil (31 October 2020: £nil) is due to or from the directors of the company.

25 Ultimate controlling party

At 31 March 2022, the immediate parent undertaking is Sony Interactive Entertainment Europe Limited.

At 31 March 2022, the ultimate parent undertaking and controlling party is Sony Group Corporation, a company incorporated in Japan. The address of Sony Group Corporation is 1-7-1 Konan Minato-ku, Tokyo, 108-0075, Japan.

Sony Group Corporation is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 March 2022.

Sony Group Corporation is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of Sony Group Corporation are publicly available and can be obtained from Sony Global Treasury Services Plc, 15th Floor, Commercial Union Tower, 1 Undershaft, London, EC3A 8EE.

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**26 Prior period adjustment****Changes to the statement of financial position**

	As previously reported	Adjustment	As restated at 31 Oct 2020
	£	£	£
Net assets	6,267,955	-	6,267,955
Capital and reserves			
Total equity	6,267,955	-	6,267,955

The prior period adjustments do not give rise to any effect upon net assets or the financial statement line items.

Changes to the income statement

	As previously reported	Adjustment	As restated
	£	£	£
Period ended 31 October 2020			
Other operating income	-	112,057	112,057
Taxation	(186,895)	(112,057)	(298,952)
Profit for the financial period	3,342,211	-	3,342,211

Reconciliation of changes in equity

The prior period adjustments do not give rise to any effect upon equity.

Reconciliation of changes in profit for the previous financial period

	2020
	£
Total adjustments	-
Profit as previously reported	3,342,211
Profit as adjusted	3,342,211

Firesprite Limited**Notes to the financial statements (continued)**
For the period ended 31 March 2022**26 Prior period adjustment (continued)****Notes to reconciliation**

In the financial statements for the prior period ending 31 October 2020, the tax credit received for video games tax relief was included within taxation. The directors now believe to be consistent with the group that the tax credit should be accounted for within Other operating income. An adjustment has been made to the comparative income statement to correct this.

There is no impact on the company's profit after tax, statement of financial position or statement of changes in equity.