

Registered number: 02771597

**REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION  
HOLDINGS LIMITED)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2018**

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**REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)**

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**COMPANY INFORMATION**

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<b>Directors</b>	C R Kingsley J J Kingsley
<b>Company secretary</b>	C R Kingsley
<b>Registered number</b>	02771597
<b>Registered office</b>	Riverside House Osney Mead Oxford OX2 0ES
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 3140 Rowan Place John Smith Drive Oxford Business Park South Oxford Oxfordshire OX4 2WB

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**REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)**

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## REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)

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### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2018

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#### Financial overview

The year to 30 June 2018 was satisfactory for the group in terms of turnover with sales of £24.2 million - a decrease of 39% from the previous year (2017: £39.6 million) although there were no major game releases in the year, which is the main source of revenue for the group. Loss before tax was £255k (2017: profit £138k).

The directors are satisfied with the performance for the year, and the aim is to build upon this result in the coming year when new game releases are planned.

#### Financial performance

Financial performance for the year has been analysed as follows:

	Year to June 2018 £'000	Year to June 2017 £'000
Turnover	24,215	39,614
Gross Profit	66	501
(Loss)/profit before tax	(255)	138

#### Strategy

The group's strategy is to continue to offer its products and services in both physical and digital formats, with greater emphasis on the digital market as the significant growth seen in recent years is anticipated to continue.

#### Turnover

Overall turnover decreased by 39% from the previous year due to there being no major game releases in the year but the back catalogue of older titles still continued to sell very well.

#### Gross Profit

Gross profit has decreased by 87% from the previous year which is primarily linked to reduced profitability in the book publishing division, which in turn is linked to the prudent impairment of some publishing intangible assets, namely goodwill on acquisition of a going concern.

#### Capital expenditure

The majority of the capital expenditure during the year related to the purchase of intellectual property (£246k).

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REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)

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GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018

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**Principal risks and uncertainties**

The Group is exposed to a variety of financial risks which result from both its operating and investment activities. The board is responsible for coordinating the Group's risk management and focuses on actively securing the Group's short to medium term cash flows.

The Group does not actively engage in the trading of financial assets and has no financial derivatives. The most significant financial risks to which the Group is exposed are described below:

**Credit risk**

The Group's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of any allowance for doubtful debts, estimated by the directors. The Group normally deals with large highly rated international companies who have a strong record for the prompt payment of liabilities.

**Cash flow risk**

The Group seeks to manage risks to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.


**Currency risk**

The Group seeks to balance the cash flows in the major currencies using an element of natural hedging with receipts and payments being matched in the same currency and therefore minimising the exposure to currency risk. The Group also monitors currency fluctuations and manages its GBP cash holding to always ensure it has sufficient funds to meet day to day trading requirements.

**Games industry risk**

As with any industry there are inherent risks. In the games industry and with games development specifically, the risks are often related to publisher control, technology advancement and quality of product. The Group has sought to reduce these risks by successfully transitioning to a games publisher in its own right and has developed important relationships directly with the key platform holders. In terms of technology the Group has invested heavily in its own technology and games engine, continually pushing the boundaries of the technology and seeking technological advancements through its research & development activities. The use of its own games engine also mitigates any middleware risk and the reliance on third parties for its tools. Quality of product is extremely important to the Group. To reduce risks in this area the Group undertakes extensive quality assurance of its games and sets realistic release schedules to ensure games only reach the marketplace when ready.

This report was approved by the board and signed on its behalf.

  
C R Kingsley  
Director  
Date: 14 MAR 2019

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## REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)

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### DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2018

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The directors present their report and the financial statements for the year ended 30 June 2018.

#### Principal activity

The principal activity of the company is a holding company. The principal activities of the group are the publishing of computer games and comic/book publishing.

#### Results and dividends

The loss for the year, after taxation, amounted to £344,708 (2017: loss £59,004).

The directors do not recommend the issue of a dividend (2017: £Nil).

#### Directors

The directors who served during the year were:

C R Kingsley  
J J Kingsley

#### Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company and the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

#### Other information

Information in respect of financial risk management and policies and likely future development is given in the Strategic Report.

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**REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018**

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**Qualifying third party indemnity provisions**

The company, as permitted by s234 and s235 of the Companies Act 2006, maintains insurance cover on behalf of the directors and company secretary indemnifying them against certain liabilities which may be incurred by them in relation to the company.

**Post balance sheet events**

On 1 July 2018, there was a restructuring of the Rebellion Group which resulted in Rebellion Publishing Holdings Ltd becoming a subsidiary of Rebellion Group Ltd, the ultimate parent company. Some of the subsidiary companies of Rebellion Publishing Holdings Ltd were also transferred to other parts of the group: Rebellion Interactive Limited, Rebellion Interactive Games Limited, Rebellion Limited, Rebellion Games IP Ltd and Rebellion Software Limited all became subsidiaries of Rebellion Games Holdings Ltd. The restructuring was completed using share for share exchanges.

On 14 August 2018, Rebellion Publishing Limited acquired further comic IP which now completes an archive of comics stretching back to the 19th century.

**Disclosure of information to auditor**

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

**Auditor**

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.



**C R Kingsley**  
Director

Date: 14 MAR 2019



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)**

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### **Opinion**

We have audited the financial statements of Rebellion Publishing Holdings Ltd (formerly Rebellion Holdings Limited) (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2018, which comprise the Consolidated Statement of comprehensive income, the Consolidated and company Statements of financial position, the Consolidated Statement of cash flows, the Consolidated and company Statement of changes in equity and the related notes, 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 Financial Reporting Standard 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 group's and of the parent company's affairs as at 30 June 2018 and of the group's loss 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 group 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 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.

### **Who we are reporting to**

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.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.





**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REBELLION PUBLISHING HOLDINGS LTD  
(FORMERLY REBELLION HOLDINGS LIMITED) (CONTINUED)**

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**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 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 Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

**Matter on which we are required to report by the Companies Act 2006**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

**Matters on which we are required to report by exception**

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



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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REBELLION PUBLISHING HOLDINGS LTD  
(FORMERLY REBELLION HOLDINGS LIMITED) (CONTINUED)**

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**Responsibilities of directors for the financial statements**

As explained more fully in the Directors' responsibilities statement on page 3, the directors are 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 directors 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

**Auditor's 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.

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 Auditor's report.



Amrish Shah BSc FCA  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Oxford  
Date: 14 March 2019

REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 £	2017 £
Turnover	4	24,214,774	39,613,558
Cost of sales		(24,149,165)	(39,112,717)
<b>Gross profit</b>		<b>65,609</b>	<b>500,841</b>
Administrative expenses		(320,136)	(362,419)
<b>Operating (loss)/profit</b>	5	<b>(254,527)</b>	<b>138,422</b>
Tax on (loss)/profit	8	(90,181)	(197,426)
<b>Loss for the financial year</b>		<b>(344,708)</b>	<b>(59,004)</b>
Foreign exchange difference on translation		(11)	(39)
<b>Other comprehensive income for the year</b>		<b>(11)</b>	<b>(39)</b>
<b>Total comprehensive income for the year</b>		<b>(344,719)</b>	<b>(59,043)</b>
<b>Loss for the year attributable to:</b>			
Owners of the parent company		(344,708)	(59,004)
		<b>(344,708)</b>	<b>(59,004)</b>


The notes on pages 14 to 26 form part of these financial statements.

**REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)**  
**REGISTERED NUMBER: 02771597**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	9	495,252	367,087
		<u>495,252</u>	<u>367,087</u>
<b>Current assets</b>			
Stocks	11	168,353	135,188
Debtors: amounts falling due within one year	12	3,078,635	7,285,299
Cash at bank and in hand	13	40,453	22,892
		<u>3,287,441</u>	<u>7,443,379</u>
Creditors: amounts falling due within one year	14	(6,156,034)	(9,839,088)
<b>Net current liabilities</b>		<u>(2,868,593)</u>	<u>(2,395,709)</u>
<b>Total assets less current liabilities</b>		<u>(2,373,341)</u>	<u>(2,028,622)</u>
<b>Net liabilities</b>		<u>(2,373,341)</u>	<u>(2,028,622)</u>
<b>Capital and reserves</b>			
Called up share capital	16	86	86
Foreign exchange reserve	17	12	23
Profit and loss account	17	(2,373,439)	(2,028,731)
<b>Equity attributable to owners of the parent company</b>		<u>(2,373,341)</u>	<u>(2,028,622)</u>

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

  
**C R Kingsley**  
 Director

14 MAR 2019

The notes on pages 14 to 26 form part of these financial statements.


**REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)**  
**REGISTERED NUMBER:02771597**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Investments	10	11	10
<b>Current assets</b>			
Debtors: amounts falling due within one year	12	180,000	180,000
Creditors: amounts falling due within one year	14	(4,110)	(4,109)
<b>Net current assets</b>		<u>175,890</u>	<u>175,891</u>
<b>Total assets less current liabilities</b>		<u>175,901</u>	<u>175,901</u>
<b>Net assets</b>		<u><u>175,901</u></u>	<u><u>175,901</u></u>
<b>Capital and reserves</b>			
Called up share capital	16	86	86
Profit and loss account brought forward		175,815	175,815
Profit for the year		-	-
Profit and loss account carried forward		<u>175,815</u>	<u>175,815</u>
		<u><u>175,901</u></u>	<u><u>175,901</u></u>

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

14 MAR 2019

  
**C R Kingsley**  
 Director

The notes on pages 14 to 26 form part of these financial statements.

REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2018

	Called up share capital	Foreign exchange reserve	Profit and loss account	Equity attributable to owners of parent company	Total equity
	£	£	£	£	£
At 1 July 2017	86	23	(2,028,731)	(2,028,622)	(2,028,622)
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	(344,708)	(344,708)	(344,708)
Foreign exchange difference on translation	-	(11)	-	(11)	(11)
<b>Other comprehensive income for the year</b>	-	(11)	-	(11)	(11)
<b>Total comprehensive income for the year</b>	-	(11)	(344,708)	(344,719)	(344,719)
At 30 June 2018	86	12	(2,373,439)	(2,373,341)	(2,373,341)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2017

	Called up share capital	Foreign exchange reserve	Profit and loss account	Equity attributable to owners of parent company	Total equity
	£	£	£	£	£
At 1 July 2016	86	62	(1,969,727)	(1,969,579)	(1,969,579)
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	(59,004)	(59,004)	(59,004)
Foreign exchange difference on translation	-	(39)	-	(39)	(39)
<b>Other comprehensive income for the year</b>	-	(39)	-	(39)	(39)
<b>Total comprehensive income for the year</b>	-	(39)	(59,004)	(59,043)	(59,043)
At 30 June 2017	86	23	(2,028,731)	(2,028,622)	(2,028,622)

The notes on pages 14 to 26 form part of these financial statements.

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REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)

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COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2018

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2017	86	175,815	175,901
At 30 June 2018	86	175,815	175,901

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2017

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2016	86	175,815	175,901
At 30 June 2017	86	175,815	175,901

The notes on pages 14 to 26 form part of these financial statements.

**REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2018**

	2018 £	2017 £
<b>Cash flows from operating activities</b>		
(Loss)/profit for the financial year	(344,708)	(59,004)
<b>Adjustments for:</b>		
Amortisation of intangible assets	117,835	192,450
Loss on disposal of tangible assets	-	(3,125)
Taxation charge	90,181	197,426
(Increase)/decrease in stocks	(33,165)	10,825
Decrease/(increase) in debtors	3,530,159	(3,666,539)
Decrease/(increase) in amounts owed by participating ints	676,505	(827,410)
(Decrease)/increase in creditors	(4,047,903)	4,667,469
Increase/(decrease) in amounts owed to participating ints	364,849	(982,512)
Corporation tax (paid)	(90,181)	(197,427)
(Loss) on retranslation of foreign subsidiary	(11)	(39)
<b>Net cash generated from operating activities</b>	<b>263,561</b>	<b>(667,886)</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(246,000)	(375,000)
Sale of intangible assets	-	15,000
<b>Net cash from investing activities</b>	<b>(246,000)</b>	<b>(360,000)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>17,561</b>	<b>(1,027,886)</b>
Cash and cash equivalents at beginning of year	22,892	1,050,778
<b>Cash and cash equivalents at the end of year</b>	<b>40,453</b>	<b>22,892</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	40,453	22,892
	<b>40,453</b>	<b>22,892</b>

The notes on pages 14 to 26 form part of these financial statements.



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**REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

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**1. General information**

The company is limited by shares and is incorporated in England and Wales. Its registered address is Riverside House, Osney Mead, Oxford, OX2 0ES.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

The financial statements are presented in Sterling (£).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

**2.2 Basis of consolidation**

The consolidated financial statements present the results of the company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

**2.3 Going concern**

The directors consider that it is appropriate to prepare the financial statements on the going concern basis due to the commitment by a connected company, Rebellion Developments Limited, to provide any necessary financial support required to enable the group to discharge its liabilities, and therefore continue to trade, for a period of at least 12 months from the date of approving the financial statements. The directors consider that Rebellion Developments Limited has the means to provide such financial support.

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REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018

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2. Accounting policies (continued)

2.4 Revenue

Turnover comprises revenue recognised by the group in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts, less adjustments for estimated returns where appropriate.

Income from publishing and distribution is recognised on the delivery of the product to the customer.

Turnover arising from designing and publishing computer games is recognised in respect of the group's performance when, and to the extent that, it obtains the right to the consideration. The guiding principle in this assessment is to consider the stage of completion of the contractual obligations and to the extent to which the group has obtained the right to the consideration. When the group is exposed to the significant risks and rewards associated with the selling price it accounts for revenue as a principal and associated commission payable is accounted for as a direct cost within cost of sales.

**Sale of goods**

Turnover from sales of games and comics/books is recognised at the point at which the product is delivered. The group makes provisions against subsequent returns or price protection.

**Royalty revenue from distributors**

Royalty payments received or accrued from external distributors under licence of the right to distribute games in certain territories. Where advance payments against royalties are received under licence in so far as the group's obligation have been fulfilled such advances are recognised at the point at which they become non returnable.

**Royalty revenue from license agreements**

Royalty payments from third parties under licence of the right to exploit the Group's intellectual property on other media is recognised on an accruals basis in accordance with the substance of the relevant contracts.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018

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2. Accounting policies (continued)

2.5 Intangible assets

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life.

**Other intangible assets**

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

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

Amortisation is provided on the following bases:

Intellectual property	-	33 % straight line
Goodwill	-	10 % straight line

2.6 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGU's). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.7 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Stocks

Stocks and work in progress are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress includes recoverable costs incurred on the production of comics and is transferred to cost of sales when sales are recognised.

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

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## REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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## 2. Accounting policies (continued)

### 2.9 Debtors

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

### 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

### 2.11 Financial instruments

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

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

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018

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2. Accounting policies (continued)

2.12 Creditors

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

2.13 Finance costs

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

2.14 Foreign currency translation

**Functional and presentation currency**

The company's functional and presentational currency is GBP.

**Transactions and balances**

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

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

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated statement of comprehensive income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

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## REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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## 2. Accounting policies (continued)

### 2.15 Taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company and the group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

## 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of these financial statements in accordance with FRS 102 requires management to make judgements and estimates that affect the amounts of the reported assets and liabilities and the reported amounts of revenues and expenses each period. Management believes that the judgements and estimates employed in preparing these financial statements are reasonable but the actual results may differ from the estimates made, requiring adjustments to the financial statements in future periods. The areas where the most significant judgements and estimates arise are described below.

### Stocks

Management make a judgement over the net realisable value of stock held, determining whether provisions are needed based upon historical sales of stock lines and expected future sales.

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REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018

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4. Turnover

Analysis of turnover by country of destination:

	2018 £	2017 £
United Kingdom	4,827,159	10,950,278
Rest of the world	19,387,615	28,663,280
	<u>24,214,774</u>	<u>39,613,558</u>

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2018 £	2017 £
Amortisation of intangible assets, including goodwill	117,835	192,449
Exchange differences	<u>63,040</u>	<u>(101,139)</u>

6. Auditor's remuneration

	2018 £	2017 £
Fees payable to the group's auditor and its associates for the audit of the group's annual accounts	23,536	23,536
Fees payable in respect of non-audit services	<u>4,790</u>	<u>4,625</u>

Of the above audit fees, £5,974 (2017: £5,974) was paid for by a connected company through common directorship, Rebellion Developments Limited.

The audit fee in respect of the company was £5,974 (2017: £5,974).

7. Employees

The group and the company has no employees other than the directors, who did not receive any remuneration (2017 - £NIL) for the services of the company.

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**REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

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**8. Taxation**

	2018 £	2017 £
<b>Corporation tax</b>		
Current tax on profits for the year	168	241
	<u>168</u>	<u>241</u>
<b>Foreign tax</b>		
Foreign tax on income for the year	90,013	197,185
<b>Total current tax</b>	<u>90,181</u>	<u>197,426</u>
<b>Deferred tax</b>		
<b>Total deferred tax</b>	<u>-</u>	<u>-</u>
<b>Taxation on profit on ordinary activities</b>	<u>90,181</u>	<u>197,426</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2017: *higher than*) the standard rate of corporation tax in the UK of 19% (2017: 19.75%). The differences are explained below:

	2018 £	2017 £
(Loss)/profit on ordinary activities before tax	<u>(254,527)</u>	<u>138,422</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017: 19.75%)	(48,360)	27,338
<b>Effects of:</b>		
Fixed asset timing differences	(57,771)	18,253
Non-deductible expenses	766	399
Deferred tax asset not recognised	34,456	-
Effect of changes in tax rates on opening deferred tax	7,930	(36,520)
Overseas tax differences	153,160	187,956
<b>Total tax charge for the year</b>	<u>90,181</u>	<u>197,426</u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.



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**REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

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**9. Intangible assets**

**Group and Company**

	Intellectual property £	Goodwill £	Total £
<b>Cost</b>			
At 1 July 2017	1,484,414	112,248	1,596,662
Additions	246,000	-	246,000
At 30 June 2018	<u>1,730,414</u>	<u>112,248</u>	<u>1,842,662</u>
<b>Amortisation</b>			
At 1 July 2017	1,117,327	112,248	1,229,575
Charge for the year	117,835	-	117,835
At 30 June 2018	<u>1,235,162</u>	<u>112,248</u>	<u>1,347,410</u>
<b>Net book value</b>			
At 30 June 2018	<u>495,252</u>	<u>-</u>	<u>495,252</u>
At 30 June 2017	<u>367,087</u>	<u>-</u>	<u>367,087</u>

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REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018

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10. Fixed asset investments

Subsidiary undertakings

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the Consolidated Statement of Financial Position.

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Rebellion Limited	Ordinary	100 %	Dormant
Rebellion Games IP Ltd	Ordinary	100 %	Dormant
Rebellion Interactive Limited	Ordinary	100 %	Designing and publishing computer games
Rebellion Interactive Games Limited	Ordinary	100 %	Designing and publishing computer games
Rebellion Publishing Limited	Ordinary	100 %	Publishing and distribution
Rebellion Software Limited	Ordinary	100 %	Dormant
Rebellion Games Inc	Ordinary	100 %	Dormant
Rebellion 2000 AD Ltd	Ordinary	100 %	Incorporated in year - Holding of relevant IP

All of the subsidiary undertakings are incorporated in England & Wales, with the exception of Rebellion Limited and Rebellion Games Inc. which are incorporated in Scotland and the USA respectively.

Company

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 July 2017	10
Additions	1
At 30 June 2018	<u>11</u>
<b>Net book value</b>	
At 30 June 2018	<u>11</u>
At 30 June 2017	<u>10</u>

**REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

**11. Stocks**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Work in progress	54,678	31,027	-	-
Finished goods and goods for resale	113,675	104,161	-	-
	<u>168,353</u>	<u>135,188</u>	<u>-</u>	<u>-</u>

**12. Debtors**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Trade debtors	1,125,258	1,479,734	-	-
Amounts owed by group undertakings	-	-	180,000	180,000
Amounts owed by connected undertakings	150,905	827,410	-	-
Other debtors	1,802,472	4,978,155	-	-
	<u>3,078,635</u>	<u>7,285,299</u>	<u>180,000</u>	<u>180,000</u>

**13. Cash and cash equivalents**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Cash at bank and in hand	40,453	22,892	-	-

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

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Trade creditors	51,418	48,591	-	-
Amounts owed to connected undertakings	3,980,456	3,615,607	-	-
Other taxation and social security	363,928	1,304,072	-	-
Other creditors	81,517	78,611	4,110	4,109
Accruals and deferred income	1,678,715	4,792,207	-	-
	<u>6,156,034</u>	<u>9,839,088</u>	<u>4,110</u>	<u>4,109</u>

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**REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

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**15. Financial instruments**

	<b>Group 2018 £</b>	<i>Group 2017 £</i>	<b>Company 2018 £</b>	<i>Company 2017 £</i>
<b>Financial assets</b>				
Financial assets measured at amortised cost	<u><b>3,119,088</b></u>	<u><i>7,308,191</i></u>	<u><b>180,000</b></u>	<u><i>180,000</i></u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	<u><b>(5,792,106)</b></u>	<u><i>(8,535,016)</i></u>	<u><b>(4,110)</b></u>	<u><i>(4,109)</i></u>

Financial assets measured at amortised cost comprise cash, trade debtors, amounts owed by related parties and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to related parties, other creditors and accruals.

**16. Share capital**

	<b>2018 £</b>	<i>2017 £</i>
<b>Allotted, called up and fully paid</b>		
86 Ordinary shares of £1 each	<u><b>86</b></u>	<u><i>86</i></u>

**17. Reserves**

**Foreign exchange reserve**

Comprises translation differences arising from the translation of financial statements of the Group's foreign entities into Sterling (£).

**Profit & loss account**

Includes all current and prior period retained profits and losses.

**18. Other financial commitments**

Rebellion Developments Limited has signed a composite guarantee arrangement with five companies controlled by the directors, Rebellion Publishing Holdings Ltd, Rebellion Interactive Limited, Rebellion Interactive Games Limited, Rebellion Publishing Limited, Rebellion Publishing IP Ltd. These companies have jointly and severally agreed to satisfy the bank on demand of all amounts owed by any of the companies. The financial commitments of Rebellion Developments Limited amounted to £nil at 30 June 2018 (2017: £nil).

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REBELLION PUBLISHING HOLDINGS LTD (FORMERLY REBELLION HOLDINGS LIMITED)

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018

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**19. Related party transactions**

The following are companies related by virtue of common ownership.

All sales and purchases are exclusive of VAT.

Related party transactions during the year ended 30 June 2018:

	Sales £	Purchases £	(Paid to) / received from £	Creditor £
Rebellion Developments Limited	172,873	(20,569,296)	(19,355,069)	(3,829,551)
Rebellion A/S	-	(246,000)	(246,000)	-

During the year, Rebellion 2000 AD Ltd bought IP independently valued at £246,000 from Rebellion A/S, a related party by virtue of common control.

Related party transactions during the year ended 30 June 2017:

	Sales £	Purchases £	(Paid to) / received from £	Creditor £
Rebellion Developments Limited	505,505	(27,433,154)	(28,737,571)	(2,788,197)

The company and group has adopted the provisions of FRS 102 Section 33 'Related Party Disclosures'. The company has utilised the exemption available under FRS 102 allowing non disclosure of transactions within the group companies eliminated on consolidation where subsidiaries are 100% owned and controlled.

**20. Controlling party**

The ultimate controlling parties were the directors C R Kingsley and J J Kingsley.

On 1 July 2018 the ultimate parent company became Rebellion Group Ltd due to a group restructuring. The directors remain as the controlling parties.