

Company registered no: 02436957

SN Systems Limited  
Annual Report and financial statements for  
the year ended 31 March 2022



# SN Systems Limited

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# **SN Systems Limited**

## **Directors and advisers**

### **Directors**

J G Ryan  
K Imai (appointed 1<sup>st</sup> April 2021)

### **Registered Office**

10 Great Marlborough Street  
London  
W1F 7LP

### **Independent Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
2 Glass Wharf  
Bristol  
BS2 0FR

### **Bankers**

Barclays Bank Plc  
UK Banking  
1 Churchill Place  
London  
E14 5HP

# SN Systems Limited

## Strategic report for the year ended 31 March 2022

The directors present their strategic report and the audited financial statements of the Company for the year ended 31 March 2022.

### Principal activities

The principal activity of the Company continues to be production of software tools for Sony Interactive Entertainment games consoles.

### Review of business and future developments

The results for the year are shown in the profit and loss account on page 8. The position at the end of the year is shown in the balance sheet on page 9. The directors remain optimistic about the long-term prospects for the business and its participation in a developing industry. It is anticipated that the company will continue to grow to meet growing demands for its software.

The company operates as a division of Sony Interactive Entertainment Inc. and therefore detailed KPIs relating to just the company are not relevant or appropriate to an understanding of the company's business.

### Principal Risks and Uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the Company include, the schedule of work requested by the parent company, Sony Interactive Entertainment Inc, not being in line with expectations due to external factors such as slowing economic growth and central economic and taxation policy changes. These risks are managed by ensuring ongoing communication with Sony Interactive Entertainment Inc to allow the directors to respond promptly and efficiently to any changes to the schedule of work.

In common with nearly all businesses, the Covid-19 pandemic has had an impact on the Company with temporary office closures and remote working arrangements. Despite this, the Company's operations have largely continued with employees working remotely, and demand for products and services remains largely unchanged. Although the directors expect this trend to continue, it is hard to fully predict the future impact that the resulting general economic downturn may have on the Company.

On behalf of the Board



J G Ryan  
Director

Date: 13 December 2022

# SN Systems Limited

## Directors' report for the year ended 31 March 2022

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2022.

### Future developments

As described in the strategic report the directors remain optimistic about the long-term prospects for the business and its participation in a developing industry.

### Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

### Financial Risk Management:

The company is only subject to limited financial risk due to the company's business model. Virtually all costs incurred are recharged to group undertakings limiting any price risk that may arise. All sales are to group undertakings reducing the level of credit risk the company faces. The company has limited exposure to currency risk and interest rate cash flow risk:

#### *j) Currency risk*

The company is exposed to currency risk as a result of its operations. However, given the size of the company's operations, the cost of managing the exposure to currency risk through the use of derivative financial instruments exceeds any potential benefits, and as such no hedge accounting is applied.

#### *ii) Interest rate cash flow risk*

Interest bearing assets include only cash balances, all of which earn interest at a fixed rate. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

### Research and Development

During the year the company expensed research and development costs of £2,910,547 (2021: £2,815,021). All research and development costs are expensed as they are incurred.

### Dividends

The directors do not propose a dividend (2021: £nil).

### Directors

The following directors held office during the financial year and up to the date of signing the financial statements:

J G Ryan (Director)  
K Imai (appointed 1<sup>st</sup> April 2021)

### Directors indemnity insurance

Qualifying third party indemnity insurance was in place for all directors during the year and continues to be in place at the date of this report.

### Overseas branches

The company operates an overseas branch in the Republic of Ireland.

# SN Systems Limited

## Directors' report for the year ended 31 March 2022 (continued)

### Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 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 company will continue in business.

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

### Independent auditors and disclosure of information to auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

### Independent auditors

The independent auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the annual general meeting.

On behalf of the Board



J G Ryan

**Director**

Date: 13 December 2022

# SN Systems Limited

## Independent auditors' report to the members of SN Systems Limited

### Report on the audit of the financial statements

#### Opinion

In our opinion, SN Systems 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 year then ended;
- have been properly prepared 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); 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 Balance sheet as at 31 March 2022; the Profit and loss account and the Statement of Changes in Equity for the year 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.

# SN Systems Limited

## Independent auditors' report to the members of SN Systems Limited (continued)

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 year 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 Statement of directors' responsibilities, 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 those with a direct impact on the financial statements, such as tax legislation and the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. 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 inappropriate payments or the posting of manual journal entries. Audit procedures performed by the engagement team included:

- discussion with management regarding any known or potential breaches of laws and regulations or instances of fraud;
- review of board minutes for evidence of any such breaches of laws and regulations or instances of fraud;
- testing of manual journal entries, in particular those posted to unusual account combinations;
- incorporating unpredictable procedures into our testing, in particular to address the risk of inappropriate payments or fictitious employees.

# SN Systems Limited

## Independent auditors' report to the members of SN Systems Limited (continued)

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](http://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.



Paul Nott (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol

14 December 2022

## SN Systems Limited

### Profit and loss account for the year ended 31 March 2022

	Note	2022 £	2021 £
<b>Turnover</b>	4	<b>12,267,894</b>	11,399,912
Cost of sales		-	-
<b>Gross profit</b>		<b>12,267,894</b>	11,399,912
Administrative expenses		<b>(11,406,411)</b>	(10,746,718)
<b>Operating profit</b>		<b>861,483</b>	653,194
Interest receivable and similar income	6	<b>4,739</b>	3,795
<b>Profit before taxation</b>	7	<b>866,222</b>	656,989
Tax on profit	8	<b>(115,964)</b>	(129,741)
<b>Profit for the financial year</b>		<b>750,258</b>	527,248

All activities are classified as continuing.

There are no recognised gains or losses for the current and preceding financial year other than as stated in the profit and loss account. Accordingly, no separate statement of total comprehensive income is presented.

# SN Systems Limited

## Balance sheet as at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	9	81,651	159,032
Tangible assets	10	568,309	619,823
		<b>649,960</b>	778,855
<b>Current assets</b>			
Debtors	11	4,641,513	4,096,540
Cash at bank and in hand		10,842,210	10,166,503
		<b>15,483,723</b>	14,263,043
<b>Creditors: amounts falling due within one year</b>	12	<b>(2,856,858)</b>	(2,515,331)
<b>Net current assets</b>		<b>12,626,865</b>	11,747,712
<b>Total assets less current liabilities</b>		<b>13,276,825</b>	12,526,567
<b>Net assets</b>		<b>13,276,825</b>	12,526,567
<b>Capital and reserves</b>			
Called up share capital	14	4	4
Profit and loss account		13,276,821	12,526,563
<b>Total shareholders' funds</b>		<b>13,276,825</b>	12,526,567

The financial statements on pages 8 to 18 were approved by the board of directors on 13 December 2022 and were signed on its behalf by:



J G Ryan  
Director

SN Systems Limited  
Company number 02436957

## SN Systems Limited

### Statement of Changes in Equity For the Year Ended 31 March 2022

	Called up Share Capital £	Profit and Loss Account £	Total £
At 1 April 2020	4	11,999,315	11,999,319
Profit for the financial year	-	527,248	527,248
At 31 March 2021	<b>4</b>	<b>12,526,563</b>	<b>12,526,567</b>
Profit for the financial year	-	<b>750,258</b>	<b>750,258</b>
<b>At 31 March 2022</b>	<b>4</b>	<b>13,276,821</b>	<b>13,276,825</b>

# SN Systems Limited

## Notes to the financial statements for the year ended 31 March 2022

### 1. General information

The principal activity of the company continues to be production of software tools for Sony Interactive Entertainment games consoles.

The company is a private company limited by shares and is incorporated in the United Kingdom and domiciled in England.

The address of its registered office is: 10 Great Marlborough Street, London, W1F 7LP.

The company's functional and presentation currency is the pound sterling.

### 2. Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102") and the Companies Act 2006.

#### Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with FRS 102 and the Companies Act 2006.

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

#### Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The exemptions taken are:

- (i) the requirement to prepare a statement of cash flows;
- (ii) the requirement to disclose related party transactions, with the members of the same group, that are wholly owned.
- (iii) the requirement to disclose key management compensation
- (iv) in respect of certain financial instrument disclosures required under FRS 102 Section 11 and 12.

#### Turnover

Since the acquisition by Sony Interactive Entertainment Inc. the company recharges the majority of its costs to fellow group companies. These recharges are recorded in turnover and calculated on a cost-plus basis.

#### Research and development

Research and development costs incurred have been expensed as incurred.

#### Tangible assets

Fixed assets are stated at historical cost net of depreciation and any other provision for impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

# SN Systems Limited

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### 2. Accounting policies (continued)

Depreciation is calculated on the cost of the asset, less its estimated residual value over the economic life of the asset as follows:

Leasehold property	remaining lease term
Computer equipment	50% straight-line
Fixtures and fittings	20% straight-line

#### Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Computer software	50% straight-line
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#### Operating leases

Rentals are charged to the profit and loss account on a straight-line basis over the lease term.

#### 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.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### 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.

#### Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

# SN Systems Limited

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### 2. Accounting policies (continued)

#### Pension costs

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they fall due.

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

Judgements, estimates and associated assumptions are based upon historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily available from other sources.

Actual results may subsequently differ from these estimates. However, there are no estimates or assumptions that the directors believe could reasonably result in a material adjustment to the carrying amounts of assets and liabilities in the foreseeable future.

### 4. Turnover

The turnover and profit on ordinary activities before taxation are attributable to the one principal activity of the company and are stated net of value added tax.

Turnover may be analysed by geographical market as follows:

	2022	2021
	£	£
United Kingdom	23,933	-
Remainder of Europe	-	-
Rest of the World	12,243,961	11,399,912
	12,267,894	11,399,912

# SN Systems Limited

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### 5. Information regarding Directors and employees

	2022	2021
	£	£
<b>Directors' emoluments</b>		
Emoluments (including bonuses)	-	-
Benefits in kind	-	-
	-	-

The directors are all employed and paid by other group companies and none of their costs are recharged to the Company. The directors have little involvement in the day-to-day operations of the company.

Monthly average number of persons (including directors) employed by the company in the year

	2022	2021
	Number	Number
Management	19	18
Operations	85	84
	104	102

Included in the number of persons above is an average of 9 (2021: 9) employees who do not have service contracts with SN Systems Limited but instead have service contracts with other group companies. They are on permanent secondment to SN Systems Limited and all their costs are recharged by the relevant fellow group company.

Staff costs incurred during the year in respect of these employees were:

	2022	2021
	£	£
Wages and salaries	8,184,292	7,625,639
Social security costs	780,773	720,337
Other pension costs	364,710	318,700
	9,329,775	8,664,676

### 6. Interest receivable and similar income

	2022	2021
	£	£
Bank deposit interest	4,739	3,795

# SN Systems Limited

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### 7. Profit before taxation

Profit before taxation is after charging/(crediting):

	2022	2021
	£	£
Depreciation and other amounts written off tangible fixed assets	<b>352,708</b>	348,239
Amortisation of intangible assets	<b>128,122</b>	170,902
Services provided by the Company's auditors		
Auditors' remuneration		
- Fees payable for the audit	<b>14,650</b>	14,000
Rentals under operating leases – land and buildings	<b>496,665</b>	513,052
Net (gains)/loss on foreign currency translation	<b>(35,528)</b>	60,499

### 8. Tax on profit

#### a) Current tax

	2022	2021
	£	£
<b>UK Corporation Tax</b>		
UK corporation tax on profits for the year	<b>85,733</b>	112,220
Foreign tax	<b>16,776</b>	14,628
Adjustment in respect of previous years	<b>4,910</b>	1,268
<b>Total current tax</b>	<b>107,419</b>	128,116
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>58,875</b>	741
Adjustments in respect of previous years	<b>17,896</b>	884
Impact of rate change on prior year balance	<b>(68,226)</b>	-
<b>Total deferred tax</b>	<b>8,545</b>	1,625
<b>Tax charge on profit on ordinary activities</b>	<b>115,964</b>	129,741

# SN Systems Limited

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### 8. Tax on profit (continued)

(b) The tax assessed for the year is lower (2021: higher) than the standard rate of corporation tax in the UK. The differences are explained below.

	2022 £	2021 £
<b>Profit before taxation</b>	<b>866,221</b>	656,989
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2021 – 19%)	<b>164,582</b>	124,828
Effects of:		
Expenses not deductible for tax purposes	<b>(16,460)</b>	1,520
Overseas profits not taxable	<b>(17,645)</b>	(13,387)
Foreign Tax	<b>16,776</b>	14,628
Impact of rate change	<b>(54,095)</b>	-
Deferred Tax not recognised	-	-
Adjustments to tax charge in respect of previous years	<b>22,806</b>	2,152
<b>Total tax charge for the year</b>	<b>115,964</b>	129,741

### (c) Tax rate changes

In the Budget 2021, it was announced that the rate of UK corporation tax will increase from the current rate of 19% to 25% with effect from 1 April 2023. As this change had been substantially enacted at the year end, deferred tax has been remeasured at 25%. The impact of this rate change is shown above.

### 9. Intangible assets

	Computer software £
<b>Cost</b>	
At 1 April 2021	828,368
Additions	50,741
Disposals	(706,098)
<b>31 March 2022</b>	<b>173,011</b>
<b>Accumulated amortisation</b>	
At 1 April 2021	669,336
Charge for the year	128,122
Disposals	(706,098)
<b>At 31 March 2022</b>	<b>91,360</b>
<b>Net book value</b>	
<b>At 31 March 2022</b>	<b>81,651</b>
At 31 March 2021	159,032

# SN Systems Limited

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### 10. Tangible assets

	Leasehold property £	Computer equipment £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 April 2021	850,412	1,783,234	238,641	2,872,287
Disposals	-	(142,700)	-	(142,700)
Additions	333	286,569	14,292	301,194
<b>31 March 2022</b>	<b>850,745</b>	<b>1,927,103</b>	<b>252,933</b>	<b>3,030,781</b>
<b>Accumulated depreciation</b>				
At 1 April 2021	598,917	1,457,597	195,950	2,252,464
Disposals	-	(142,700)	-	(142,700)
Charge for the year	33,305	304,525	14,878	352,708
<b>At 31 March 2022</b>	<b>632,222</b>	<b>1,619,422</b>	<b>210,828</b>	<b>2,462,472</b>
<b>Net book value</b>				
<b>At 31 March 2022</b>	<b>218,523</b>	<b>307,681</b>	<b>42,105</b>	<b>568,309</b>
At 31 March 2021	251,495	325,637	42,691	619,823

### 11. Debtors

	2022 £	2021 £
Amounts owed by group undertakings	3,156,385	2,809,219
Other debtors	103,184	117,208
Corporation tax	926,492	652,293
Deferred tax asset (note 13)	207,503	216,048
Prepayments and accrued income	247,949	301,772
	<b>4,641,513</b>	<b>4,096,540</b>

All of the above amounts are due within one year other than the deferred tax asset, which falls due after more than one year.

Amounts owed to group undertakings are unsecured, non-interest bearing and repayable on demand.

### 12. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	55,570	57,262
Amounts owed to group undertakings	791,486	825,265
Taxation and social security	198,301	148,181
Accruals and deferred income	1,811,501	1,484,623
	<b>2,856,858</b>	<b>2,515,331</b>

Amounts owed to group undertakings are unsecured, non-interest bearing and repayable on demand.

# SN Systems Limited

## Notes to the financial statements for the year ended 31 March 2022 (continued)

### 13. Deferred taxation asset

	2022	2021
	£	£
Asset at start of the year	216,048	217,673
Charge/(Credit) in profit and loss account	(8,545)	(1,625)
<b>Asset at end of the year</b>	<b>207,503</b>	<b>216,048</b>

The deferred tax asset is recognised within debtors in the balance sheet and consists principally of timing differences arising from depreciation being in excess of capital allowances.

### 14. Called up share capital

	2022	2021
	£	£
Allotted and fully paid		
4 (2021: 4) Ordinary shares of £1 each	4	4

### 15. Operating lease commitments

At 31 March the company had total commitments under non-cancellable operating leases as set out below:

	2022	2021
	£	£
<b>Land and buildings</b>		
Lease rentals due within 1 year	516,808	545,368
Lease rentals due years 1 to 5	1,922,538	2,115,167
Leases rentals due in more than 5 years	670,575	1,180,785
	<b>3,109,921</b>	<b>3,841,320</b>

### 16. Pension scheme

The company operates a defined contribution pension scheme for all qualified employees. The assets of the scheme are held in separate trustee administered funds. Contributions made during the year amounted to £364,710 (2021: £318,700). The amount due to the scheme at the year-end was £43,209 (2021: £38,373).

### 17. Related party transactions

The company undertakes transactions with fellow subsidiaries which are eliminated on consolidation in the consolidated financial statements of the ultimate parent company. The company has taken advantage of the exemption under FRS 102 not to disclose such transactions.

There were no other transactions that required disclosure under FRS 102.

### 18. Ultimate parent company

At 31 March 2022, the immediate parent undertaking and controlling party is Sony Interactive Entertainment Inc. The ultimate parent undertaking and controlling party is Sony Group Corporation, a company incorporated in Japan. Sony Group Corporation is the parent undertaking of the largest group of undertakings to consolidate these financial statements as at 31 March 2022. The consolidated financial statements of Sony Group Corporation can be obtained from Sony Global Treasury Services Plc, 15<sup>th</sup> Floor, Commercial Union Tower, 1 Undershaft, London, EC3A 8EE.