

SCP 2020 LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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SCP 2020 LIMITED

COMPANY INFORMATION

Directors	S Ciardiello E Krivicic
Registered number	12871272
Registered office	3rd Floor, Bridge House Borough High Street London SE1 9QR
Independent auditor	Blick Rothenberg Audit LLP Chartered Accountants & Statutory Auditor 16 Great Queen Street Covent Garden London WC2B 5AH

REGISTERED NUMBER:12871272

SCP 2020 LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £	Unaudited 2021 £
Fixed assets			
Intangible assets	4	47,603	39,904
Investments	5	804,000	804,000
		<u>851,603</u>	<u>843,904</u>
Current assets			
Debtors: amounts falling due within one year	6	537,629	60,702
Cash at bank and in hand		91,024	21,091
		<u>628,653</u>	<u>81,793</u>
Creditors: amounts falling due within one year	7	(1,904,940)	(1,082,403)
Net current liabilities		<u>(1,276,287)</u>	<u>(1,000,610)</u>
Net liabilities		<u>(424,684)</u>	<u>(156,706)</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		(424,686)	(156,708)
Total deficit		<u>(424,684)</u>	<u>(156,706)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

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

E Krivicic
Director

Date: 6 December 2023

The notes on pages 3 to 10 form part of these financial statements.

SCP 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

SCP 2020 Limited is a private company limited by shares incorporated in England and Wales. The address of its registered office is 3rd Floor Bridge House, Borough High Street, London, SE1 9QQ.

The financial statements are presented in Sterling (£), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland 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 judgement in applying the company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis notwithstanding the fact that the company has a deficiency on total equity at the end of the year. The directors consider this basis to be appropriate as the company has received a letter of financial support from its parent company.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2. Accounting policies (continued)

2.4 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

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.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including other debtors, cash and bank balances and intercompany working capital balances, are initially recognised at transaction price, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade creditors and loans from fellow group companies, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

Financial instruments (continued)**Impairment of financial assets**

Financial assets 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 profit and loss account.

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the 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.

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 and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet 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.

2.5 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.6 Share capital

Ordinary shares are classified as equity.

2.7 Finance costs

Finance costs are charged to profit or loss 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.

2.8 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is Sterling (£).

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 profit or loss 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 profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'administrative expenses'.

2.9 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.

The estimated useful lives range as follows:

Computer software	-	3	years
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2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

SCP 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.11 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, 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.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2021 - 2).

SCP 2020 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Intangible assets

	Computer software £
Cost	
At 1 January 2022	39,904
Additions	31,500
At 31 December 2022	71,404
Amortisation	
Charge for the year on owned assets	23,801
At 31 December 2022	23,801
Net book value	
At 31 December 2022	47,603
At 31 December 2021	39,904

5. Fixed asset investments

Cost or valuation

At 1 January 2022

804,000

At 31 December 2022

804,000

SCP 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
Splash News (Europe) Limited	3rd Floor, Bridge House, Borough High Street, London, SE1 9QQ	Ordinary	100%
SSCP One Limited	3rd Floor, Bridge House, Borough High Street, London, SE1 9QQ	Ordinary	100%
SSCP Two Limited	3rd Floor, Bridge House, Borough High Street, London, SE1 9QQ	Ordinary	100%
Flynet News Limited (in liquidation)	2nd Floor Regis House, 45 King William Street, London, EC4R 9AN	Ordinary	100%
Flying News UAV Limited (in liquidation)	2nd Floor Regis House, 45 King William Street, London, EC4R 9AN	Ordinary	100%
SN America, Inc.	3705 W Pico Blvd, #2544, Los Angeles, CA 90019, United States of America	Ordinary	100%

6. Debtors

	2022 £	Unaudited 2021 £
Amounts owed by group undertakings	514,662	35,167
Other debtors	22,967	25,535
	537,629	60,702

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

7. Creditors: Amounts falling due within one year

	2022 £	Unaudited 2021 £
Trade creditors	75,000	45,942
Amounts owed to group undertakings	1,762,440	1,036,461
Accruals and deferred income	67,500	-
	1,904,940	1,082,403

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

SCP 2020 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

8. Share capital

	2022 £	Unaudited 2021 £
Allotted, called up and fully paid		
10,000 (2021 - 10,000) Ordinary shares of £0.0001 each	1	1
5,000 (2021 - 5,000) Class A shares of £0.0001 each	1	1
4,000 (2021 - 4,000) Class B shares of £0.0001 each	-	-
	<u>2</u>	<u>2</u>

9. Related party transactions

The company has taken advantage of the exemption contained in FRS 102 section 33 "Related Party Disclosures" from disclosing transactions with entities which are a wholly owned part of the group.

10. Parent undertaking

The smallest group for which consolidated financial statements are drawn up and of which the company is a member is headed by Shutterstock, Inc., whose registered office is at 350 Fifth Avenue, 20th Floor, New York, NY 10118, USA. Group accounts are publically available.

11. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2022 was unqualified.

The audit report was signed on 7 December 2023 by Jaykishan Shah (senior statutory auditor) on behalf of Blick Rothenberg Audit LLP.