

POPULAR CULTURE LTD

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

POPULAR CULTURE LTD

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 8

POPULAR CULTURE LTD
REGISTERED NUMBER:09033127

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	61,859	61,859
Investments	5	38,001	39,183
		99,860	101,042
Current assets			
Debtors	6	768,479	770,655
Cash at bank and in hand	7	4,358	128,640
		772,837	899,295
Creditors: amounts falling due within one year	8	(7,003)	(126,884)
Net current assets		765,834	772,411
Total assets less current liabilities		865,694	873,453
Provisions for liabilities			
Deferred tax	9	(10,516)	(10,516)
		(10,516)	(10,516)
Net assets		855,178	862,937
Capital and reserves			
Called up share capital	10	200	200
Other reserves		(38,479)	(118,613)
Profit and loss account		893,457	981,350
		855,178	862,937

POPULAR CULTURE LTD
REGISTERED NUMBER:09033127

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2019

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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 on 26 August 2020.

J B Grede

Director

The notes on pages 3 to 8 form part of these financial statements.

POPULAR CULTURE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Popular Culture Ltd is a private company, limited by shares, registered in England and Wales, registration number 09033127. The registered office address is Elsley Court, 20-22 Great Titchfield Street, London, W1W 8BE. The trading address is Ground Floor Stephen Building, 30 Gresse Street, London, W1T 1QR.

The principal activity of the company continued to be that of providing consultancy services.

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 following principal accounting policies have been applied:

2.2 Going concern

The directors are assessing, on a daily basis, the impact of the significant uncertainty arising from the COVID-19 virus. Whilst the directors appreciate there is significant uncertainty surrounding the future economic climate, Popular Culture Limited is well placed to address these impacts. The strong financial position of the company will allow time to determine and implement any changes required through decisions of the Board of Directors. The directors are satisfied that the company will be able to meet its financial obligations for at least 12 months from the date of signature of the financial statements, which have been prepared on the going concern basis.

2.3 Turnover

Turnover is recognised for the consultancy services provided to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Other fixed assets	-
	Nil depreciation rate

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account.

Included within other fixed assets are assets that are appreciating in value. Therefore a nil depreciation rate has been applied.

2.5 Valuation of investments

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the profit and loss account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.6 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is pound 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 the profit and loss account 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 the profit and loss account within 'other operating income'.

2.7 Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.8 Current and deferred 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.

The current corporation 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 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 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 balance sheet date.

2.9 Debtors

Short term debtors are measured at transaction price, 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.

2.11 Creditors

Short term creditors are measured at the transaction price.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

POPULAR CULTURE LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.13 Financial instruments

The company 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.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
directors	<u>2</u>	<u>2</u>

4. Tangible fixed assets

	Other fixed assets £
Cost or valuation	
At 1 January 2019	<u>61,859</u>
At 31 December 2019	<u>61,859</u>
Net book value	
At 31 December 2019	<u>61,859</u>
At 31 December 2018	<u>61,859</u>

POPULAR CULTURE LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

5. Fixed asset investments

	Unlisted Investments £
Cost or valuation	
At 1 January 2019	39,183
Foreign exchange movement	(1,182)
	<u>38,001</u>
At 31 December 2019	
Net book value	
At 31 December 2019	<u>38,001</u>
At 31 December 2018	<u>39,183</u>

6. Debtors

	2019 £	2018 £
Due after more than one year		
Other debtors	264,286	766,586
	<u>264,286</u>	<u>766,586</u>
Due within one year		
Other debtors	504,193	4,069
	<u>768,479</u>	<u>770,655</u>

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank	<u>4,358</u>	<u>128,640</u>

POPULAR CULTURE LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	-	620
Corporation tax	558	119,535
Other taxation and social security	-	433
Other creditors	1,500	886
Accruals	4,945	5,410
	<u>7,003</u>	<u>126,884</u>

9. Deferred taxation

	2019 £	2018 £
At beginning of year	(10,516)	(11,172)
Charged to profit or loss	-	656
At end of year	<u>(10,516)</u>	<u>(10,516)</u>
	2019 £	2018 £
Accelerated capital allowances	<u>(10,516)</u>	<u>(10,516)</u>

10. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
20,000 (2018 - 20,000) Ordinary shares of £0.01 each	<u>200</u>	<u>200</u>

11. Related party transactions

Included in other debtors is an amount of £Nil (2018 - £4,070) due from a director of the company. Interest amounting to £Nil (2018 - £2,629) was charged on loans to the directors at the official rate during the year.

Included in other creditors is an amount of £1,500 (2018 - £499) owed to a director. This loan is interest free and repayable on demand.

Dividends were paid to the directors totalling £10,000 (2018 - £624,289) during the year.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.