

Registered number: 10487412 (England and Wales)

**GUNPOWDER & SKY INTERNATIONAL, LTD**

**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2018**



## **GUNPOWDER & SKY INTERNATIONAL, LTD**

### **COMPANY INFORMATION**

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<b>Director</b>	F C Bauer
<b>Registered number</b>	10487412
<b>Registered office</b>	4th Floor New Penderel House 283-288 High Holborn London WC1V 7HP
<b>Independent auditors</b>	F&L Corporate Reporting Services Limited Chartered Accountants and Statutory Auditors New Penderel House 4th Floor 283-288 High Holborn London United Kingdom WC1V 7HP

## **GUNPOWDER & SKY INTERNATIONAL, LTD**

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**GUNPOWDER & SKY INTERNATIONAL, LTD**  
**REGISTERED NUMBER:10487412**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2018**

			2018	Period ended 31 December 2017
	Note		£	£
<b>Fixed assets</b>				
Tangible assets	4		17,165	18,985
			<u>17,165</u>	<u>18,985</u>
<b>Current assets:</b>				
Debtors: amounts falling due within one year	5	65,984	30,575	
Cash at bank and in hand		108,657	-	
		<u>174,641</u>	<u>30,575</u>	
Creditors: amounts falling due within one year	6	(1,403,338)	(506,508)	
<b>Net current liabilities</b>			<u>(1,228,697)</u>	<u>(475,933)</u>
<b>Total assets less current liabilities</b>			<u>(1,211,532)</u>	<u>(456,948)</u>
<b>Net liabilities</b>			<u>(1,211,532)</u>	<u>(456,948)</u>
<b>Capital and reserves</b>				
Called up share capital			1	1
Profit and loss account			(1,211,533)	(456,949)
			<u>(1,211,532)</u>	<u>(456,948)</u>

GUNPOWDER & SKY INTERNATIONAL, LTD  
REGISTERED NUMBER:10487412

BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2018

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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:



F C Bauer  
Director

Date: 24/09/19

The notes on pages 3 to 7 form part of these financial statements.

## **GUNPOWDER & SKY INTERNATIONAL, LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

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#### **1. Accounting policies**

##### **1.1 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 following principal accounting policies have been applied:

##### **1.2 Going concern**

These financial statements have been prepared on the going concern basis as the parent company Gunpowder & Sky, LLC, has indicated its continuing financial support of the Company. Should this support be withdrawn, then all of the Company's assets would have to be restated at their net realisable values and its liabilities would have to be treated as falling due on demand.

##### **1.3 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 production contracts to provide specific media packages is recognised in the period in which contract phases 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.

##### **1.4 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 2018**

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**1. Accounting policies (continued)**

**1.4 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.

The estimated useful lives range as follows:

Computer equipment	- 3 years
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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.

**1.5 Debtors**

Short term debtors are measured at transaction price, less any impairment.

**1.6 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.

**1.7 Creditors**

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

**1.8 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018

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**1. Accounting policies (continued)**

**1.9 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

**1.10 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2018 was unqualified, though the auditor drew attention to note 1.2 to these financial statements which indicates the Company's ability to continue as a going concern.

The audit report was signed by Dominic King ACA (Senior Statutory Auditor) on behalf of F&L Corporate Reporting Services Limited.

**3. Employees**

The average monthly number of employees, including directors, during the year was 5 (2017 - 2).



GUNPOWDER & SKY INTERNATIONAL, LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018

4. Tangible fixed assets

	Computer equipment £
<b>Cost or valuation</b>	
At 1 January 2018	21,496
Additions	10,694
Disposals	(4,215)
At 31 December 2018	27,975
<b>Depreciation</b>	
At 1 January 2018	2,511
Charge for the period	8,834
Disposals	(535)
At 31 December 2018	10,810
<b>Net book value</b>	
At 31 December 2018	17,165
At 31 December 2017	18,985

5. Debtors

	2018 £	Period ended 31 december 2017 £
Trade debtors	26,437	-
Other debtors	25,289	22,605
Prepayments and accrued income	14,258	7,970
	65,984	30,575

**GUNPOWDER & SKY INTERNATIONAL, LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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

		<i>Period ended 31 December 2017</i>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	9,092	-
Amounts owed to group undertakings	1,333,279	461,921
Other taxation and social security	6,035	-
Other creditors	2,800	-
Accruals and deferred income	52,132	44,587
	<u>1,403,338</u>	<u>506,508</u>

**7. Financial commitments**

At the end of the reporting period, the total amount of financial commitments, guarantees and contingencies that are not included in the balance sheet is £67,500 (2017: £19,100).

**8. Controlling party**

Gunpowder & Sky, LLC is the parent company of the smallest group for which consolidated financial statements are drawn up of which the Company is a member. The registered office of the parent company is: 12211 W Washington Blvd, Suite 200, Culver City, CA 90066.

**9. Post balance sheet events**

There were no adjusting or non-adjusting events occurring between the end of the reporting period and the date these financial statements were approved.