

KICKSTARTER LONDON LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

KICKSTARTER LONDON LIMITED

CONTENTS

	Page
Company information	1
Balance sheet	2
Notes to the financial statements	3 - 9

KICKSTARTER LONDON LIMITED

COMPANY INFORMATION

Directors	P Chen S Lowe
Company secretary	Taylor Wessing Secretaries Limited
Registered number	07825937
Registered office	5 New Street Square London EC4A 3TW
Independent auditor	Blick Rothenberg Audit LLP Chartered Accountants & Statutory Auditor 16 Great Queen Street Covent Garden London WC2B 5AH

KICKSTARTER LONDON LIMITED**BALANCE SHEET
AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
Current assets			
Debtors: amounts falling due within one year	4	86,320	8,550
Cash at bank and in hand	5	101,312	141,898
		<u>187,632</u>	<u>150,448</u>
Creditors: amounts falling due within one year	6	(167,443)	(116,338)
Net current assets		<u>20,189</u>	<u>34,110</u>
Total assets less current liabilities		<u>20,189</u>	<u>34,110</u>
Net assets		<u>20,189</u>	<u>34,110</u>
Capital and reserves			
Called up share capital		75,000	75,000
Other reserves	8	25,127	20,372
Profit and loss account	8	(79,938)	(61,262)
		<u>20,189</u>	<u>34,110</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:

P Chen
Director

Date: 14 November 2022

The notes on pages 3 to 9 form part of these financial statements.

KICKSTARTER LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Kickstarter London Limited is a private company limited by shares and incorporated in England. The address of its registered office is 5 New Street Square, London, EC4A 3TW.

The financial statements are presented in Sterling (£).

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 following principal accounting policies have been applied:

2.2 Going concern

The company has received a letter of financial support from its parent company, confirming it will provide support for at least the next twelve months. The directors have considered post year end trading and financial results, cash reserves and committed borrowing facilities, and after making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Revenue

Revenue from contracts to provide sales and marketing services to Kickstarter PBC, is recognised in the period in which the services are provided. Revenue is recognised to the extent that is probable that the company will receive the consideration due under the contract and the amount of revenue can be measured reliably. Revenue is measured as the fair value of the consideration received or receivable, excluding value added tax.

KICKSTARTER LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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 financing 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.

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

Financial liabilities

Basic financial liabilities, including trade and other 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.

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.

KICKSTARTER LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

Financial instruments (continued)

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.

If a transfer does not result in derecognition because the company has retained significant risks and rewards of ownership of the transferred asset, the company continues to recognise the transferred asset in its entirety and recognises a financial liability for the consideration received. The asset and liability are not offset. In subsequent periods, the company recognises any income on the transferred asset and any expense incurred on the financial liability.

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 Share capital

Ordinary shares are classified as equity.

2.6 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.

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

KICKSTARTER LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

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 are presented in the profit and loss account within 'interest receivable and similar income or interest payable and similar expenses'. All other foreign exchange gains and losses are presented in the profit and loss account within 'administrative expenses'.

2.9 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. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.11 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.

KICKSTARTER LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.12 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.

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 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.

3. Employees

The average monthly number of employees, including directors, during the year was 5 (2020 -5).

KICKSTARTER LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

4. Debtors

	2021 £	2020 £
Amounts owed by group undertakings	61,912	4,221
Other debtors	2,021	1,830
Prepayments and accrued income	892	2,499
Deferred taxation	21,495	-
	<u>86,320</u>	<u>8,550</u>

5. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>101,312</u>	<u>141,898</u>

6. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	3,926	2,526
Amounts owed to group undertakings	150,998	93,194
Other creditors	2,269	549
Accruals and deferred income	10,250	20,069
	<u>167,443</u>	<u>116,338</u>

7. Deferred taxation

	2021 £
Charged to profit or loss	21,495
At end of year	<u>21,495</u>

KICKSTARTER LONDON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

7. Deferred taxation (continued)

The deferred tax asset is made up as follows:

	2021 £	2020 £
Tax losses carried forward	15,213	-
Share option reserve	6,282	-
	<u>21,495</u>	<u>-</u>

8. Reserves

Other reserves

Other reserves relates to share based payments.

Profit & loss account

Profit and loss account relates to distributable reserves of the company.

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 and largest group for which consolidated financial statements are drawn up is headed by Kickstarter PBC, whose registered office is 58 Kent St, Brooklyn, NY 11222, United States.

11. Auditor's information

The auditor's report on the company's full financial statements was unqualified. Those financial statements were audited by Blick Rothenberg Audit LLP and the auditor's report thereon was signed by James Rimell (senior statutory auditor) on 23 November 2022.

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.