REGISTERED NUMBER: 10340607 (England and Wales)

Financial Statements

for the Year Ended 31 December 2022

for

Skyrocket Toys (UK) Limited

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Skyrocket Toys (UK) Limited

Company Information
for the Year Ended 31 December 2022

DIRECTORS:	J Ardell N Lucich
REGISTERED OFFICE:	Airport House Suite 43 - 45 Purley Way Croydon Surrey CR0 0XZ
REGISTERED NUMBER:	10340607 (England and Wales)
AUDITORS:	SKS Audit LLP 3 Sheen Road Richmond Upon Thames TW9 1AD

Balance Sheet
31 December 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Investments	4	128,783	181,780
CREDITORS			
Amounts falling due within one year	5	(1,200)	(173,421)
NET CURRENT LIABILITIES		(1,200)	(173,421)
TOTAL ASSETS LESS CURRENT LIABILITIES		127,583	8,359
CAPITAL AND RESERVES			
Called up share capital	6	1	1
Retained earnings		127,582	8,358
SHAREHOLDERS' FUNDS		127,583	8,359

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 28 August 2023 and were signed on its behalf by:

J Ardell - Director

The notes form part of these financial statements

1. STATUTORY INFORMATION

Skyrocket Toys (UK) Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation and functional currency of the financial statements is the Pound Sterling (£).

The principal activity of company is investment holding.

2. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The financial statements contain information about Skyrocket Toys (UK) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Skyrocket Toys LLC, 12910 Culver Blg, Suite F, Los Angeles, California 90066.

INVESTMENTS IN SUBSIDIARIES

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax.

CURRENT TAX

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

DEFERRED TAX

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date.

GOING CONCERN

At 31st December 2022, the company had net profit of £119,224 (2021:£9,607) resulting in a net current liability of £1,200 (2021:£173,421). Net assets at the year end were £127,583 (2021:£8,359) after accounting for the impairment in the investment for the subsidiary entity, Skyrocket U.K. Limited.

The impact of Covid and increased competition in this sector had contributed to the 83% drop in turnover for financial year 2022. The directors after careful consideration of the immediate situation had decided to temporary cease their operations in the United Kingdom. They intend to keep both the company and its subsidiary entity dormant for 2023 and possibly 2024 until they can come up with a more viable strategy.

The ultimate parent company, Skyrocket Toys LLC, at present is not financially viable to support the UK entities. Based on the situation, the accounts have been prepared on a basis other than going concern.

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2. **ACCOUNTING POLICIES - continued**

FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured attransaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

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2. ACCOUNTING POLICIES - continued

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 2 (2021 - 2) .

4. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2022	181,780
Impairments	(52,997)
At 31 December 2022	128,783
NET BOOK VALUE	
At 31 December 2022	128,783
At 31 December 2021	181,780

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Skyrocket U.K. Limited
Registered office: Airport House Suite 43 - 45, Purley Way, Croydon, Surrey, United Kingdom, CR0 0XZ
Nature of business: Wholesaler and distributor of toys

Class of shares:	% holding
Ordinary shares	100.00

	31/12/22 £	31/12/21 £
Aggregate capital and reserves	128,783	927,446
Loss for the year	(798,663)	(142,516)

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5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Amounts owed to group undertakings	-	172,221
Other creditors	1,200	1,200
	1,200	173,421

The directors consider the carrying amounts of current liabilities approximate to their fair values.

6. CALLED UP SHARE CAPITAL

Allotted and issued:

Number:	Class:	Nominal value:	2022 £	2021 £
1	Ordinary shares	£1	1	1

7. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Moganarden Pillay Chelvanaigum FCCA (Senior Statutory Auditor)
for and on behalf of SKS Audit LLP

8. RELATED PARTY DISCLOSURES

At the balance sheet date, amounts owed to group undertakings includes amount of £Nil (2021 - £1,298) due to subsidiary company.

At the balance sheet date, amounts owed to group undertaking includes amount of £Nil (2021 - £170,923) due to holding company.

9. ULTIMATE CONTROLLING PARTY

Throughout the period, the company was controlled by its ultimate parent company Skyrocket Toys LLC a company incorporated in United States.

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.