

# Sycamore Entertainment Group Inc.

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Interim Financial Statements

3/31/2015

**SYCAMORE ENTERTAINMENT GROUP INC**

**BALANCE SHEETS**

**As of**

	(unaudited) March 31, 2015	(unaudited) December 31, 2014
<b>ASSETS</b>		
Current Assets		
Cash	\$ 587	\$ 2,299
Accounts receivable	131,725	131,725
Prepaid expenses	24,075	48,075
Security deposit	16,690	16,690
Total Current Assets	<u>173,077</u>	<u>198,789</u>
Investment in television property	1,000,000	1,000,000
Other intangible asset	306,050	306,050
<b>TOTAL ASSETS</b>	<b><u>\$ 1,479,127</u></b>	<b><u>\$ 1,504,839</u></b>
<b>LIABILITIES</b>		
Accounts payable	\$ 860,081	\$ 860,081
Accrued liabilities	3,366,729	3,366,729
Notes payable	1,125,424	1,105,524
Put liability	738,388	738,388
Total Current Liabilities	<u>\$ 6,090,622</u>	<u>\$ 6,070,722</u>
Related party loan payable	380,216	366,543
Total Liabilities	<u>\$ 6,470,838</u>	<u>\$ 6,437,265</u>
<b>STOCKHOLDERS' EQUITY</b>		
Common stock (Par value \$0.001, 1,500,000,00 shares authorized; 1,030,417,066 issued and outstanding as of March 31, 2015; 912,417,066 issued and outstanding as of December 31, 2014.)	1,030,417	912,417
Additional paid-in capital	818,094	936,094
Accumulated deficit	(7,253,722)	(7,194,437)
Stock subscription payable	413,500	413,500
Less: Treasury stock (7,142,857 shares at cost)	-	-
Total Stockholders' Deficit	<u>(4,991,711)</u>	<u>(4,932,426)</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b><u>\$ 1,479,127</u></b>	<b><u>\$ 1,504,839</u></b>

See accompanying notes to financial statements.

**SYCAMORE ENTERTAINMENT GROUP INC**  
**STATEMENTS OF OPERATIONS**

	(unaudited) For the 3 months ended March 31 2015	(unaudited) For the 3 months ended March 31 2014
<b>Revenues</b>	\$ -	\$ -
<b>Cost of Revenues</b>	-	-
	<hr/>	<hr/>
<b>Gross Profit</b>	\$ -	\$ -
 <b>Operating Expenses</b>		
General and administrative	59,285	96,272
Amortization Expense	0	0
	<hr/>	<hr/>
Total Operating Expense	59,285	96,272
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Operating Income (Loss)	(59,285)	(96,272)
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 <b>Other Income and Expense</b>		
Interest Expense	-	(169)
Loss on Investment	-	-
Loss on Litigation	-	-
Other Income	-	-
	<hr/>	<hr/>
Total Other Income and Expense	0	(169)
	<hr/>	<hr/>
 <b>Net Income (Loss)</b>	\$ (59,285)	\$ (96,441)
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See accompanying notes to financial statements.

# SYCAMORE ENTERTAINMENT GROUP INC

## STATEMENTS OF CASH FLOWS

	For the 3 Months Ended March 31,	
	2014	2014
Cash flows from operating activities:		
Net income	\$ (59,285)	\$ (96,441)
Adjustments to reconcile net income to net cash provided by operating activities:		
Accrued interest expense	-	169
Stock issued for subscription receivable	-	(24,000)
Changes in operating assets and liabilities:		
Accounts receivable	-	36,300
Prepaid expenses	24,000	-
Other intangible asset	-	(54,900)
Accounts payable		25,000
Accrued liabilities	-	96,250
Net cash used in operating activities	(35,285)	(17,622)
Cash flows from investing activities:		
Net cash used in investing activities	-	-
Cash flows from financing activities:		
Net proceeds from notes payable	19,900	-
Net borrowings of notes payable - related party	13,673	208
Net cash provided by financing activities	33,573	208
Net change in cash and cash equivalents	(1,712)	418
Cash and cash equivalents at the beginning of period	2,299	186
Cash and cash equivalents at the end of period	\$ 587	\$ 604
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ -	\$ -
Cash paid for taxes	\$ -	\$ -

See accompanying notes to financial statements.

SYCAMORE ENTERTAINMENT INC  
NOTES TO CONDENSED FINANCIAL STATEMENTS  
MARCH 31, 2015

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying interim financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows as of and for the period ended March 31, 2014, and for all periods presented herein, have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's December 31, 2014 financial statements. The results of operations for the periods ended March 31, 2015 and March 31, 2014 are not necessarily indicative of the operating results for the full years.

Use of Estimates

The preparation of financial statements requires us to make estimates and assumptions that affect the amounts reported and disclosed in the financial statements and the accompanying notes. Actual results could differ materially from these estimates. On an ongoing basis, we evaluate our estimates, including those related to the accounts receivable and sales allowances, fair values of financial instruments, useful lives of intangible assets and property and equipment, inventory valuations, income taxes, and contingent liabilities, among others. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities.

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies applied by the Company in these condensed interim financial statements are the same as those applied by the Company in its financial statements as at and for the year ended December 31, 2014.

There have been no changes in the Company's significant accounting policies for the periods ended March 31, 2015 as compared to those disclosed in the Company's financial statement for the year ended December 31, 2014.

**NOTE 3 – COMMITMENTS AND CONTINGENCIES**

*Contingencies*

The Company may, from time to time, be involved in legal proceedings and disputes that arise in the normal course of business. These matters include product liability actions, patent infringement actions, contract disputes, domestic and international federal, state and local tax reviews and audits, and other matters. The Company also may be subject to litigation and/or adverse rulings or judgments as a result of certain contractual indemnification obligations. The Company records a provision for a liability when management believes that it is both probable that a liability has been incurred and it can reasonably estimate the amount of the loss. The Company believes it has adequate provisions for any such matters. The Company reviews these provisions at least quarterly and adjusts these provisions to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and other information and events pertaining to a particular case.

Additionally, from time to time, the Company receives inquiries from regulatory agencies informally requesting information or documentation. There can be no assurance in any given case that such informal review will not lead to further proceedings involving the Company in the future.

The Company is not aware of any pending disputes, including those outlined above, that would be likely to have a material adverse effect, either individually or in the aggregate, on its consolidated financial condition, results of operations or liquidity. However, litigation is subject to inherent uncertainties and costs and unfavorable outcomes could occur. An unfavorable outcome could include the payment of monetary damages, cash or other

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NOTES TO CONDENSED FINANCIAL STATEMENTS  
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settlement, or an injunction prohibiting it from selling one or more products. If an unfavorable resolution were to occur, there exists the possibility of a material adverse impact on the Company's consolidated financial condition, results of operations or cash flows of the period in which the resolution occurs or on future periods.

Bank Accounts

From time-to-time the Company may carry balances in its corporate bank accounts above the federally insured limit of \$250,000.

**NOTE 4- STOCK AND DEBT ISSUANCES**

The Company issued 118,000,000 shares in a debt conversion under a master convertible note payable signed in the 4<sup>th</sup> quarter of 2014. This same investor forwarded \$10,000 under this note and under the terms of the note is obligated to forward an additional \$15,000.

In the first quarter of 2015, one investor provided \$14,000 in a short-term note payable that had a flat rate of interest of \$250. This note is currently in default.

Stock Reservations

Two investors have reserved an additional 339,582,934 shares with the transfer agent against future issuances based on the current stock price and the terms of their agreements.

**NOTE 5 – SUBSEQUENT EVENTS**

After the period end, the Company obtained \$5,000 in debt financing under the master note agreement referred to in Note 4.