

Edgar Filing: Giddy-up Productions, Inc. - Form 10-Q

Giddy-up Productions, Inc.  
Form 10-Q  
July 11, 2008

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the quarterly period ended May 31, 2008

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file # 333-148076

GIDDY-UP PRODUCTIONS, INC.

-----  
(Exact Name of Registrant as Specified in its Charter)

NEVADA

-----  
(State or other jurisdiction of incorporation or organization)

20-0853182

-----  
(I.R.S. Employer Identification number)

409 - 903 19TH AVENUE SW, CALGARY, ALBERTA T2T 0H8

-----  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number: (403) 399-6402

Securities registered under Section 12(b) of the Act: NONE

Securities registered pursuant to Section  
12(g) of the Act:  
COMMON STOCK, \$0.0001 PAR VALUE

Check whether the Issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the Issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of May 31, 2008, the Issuer had 8,100,000 shares of its Common Stock outstanding.

Transitional Small Business Disclosure Format (Check one): Yes  No

PART I -- FINANCIAL INFORMATION

## Edgar Filing: Giddy-up Productions, Inc. - Form 10-Q

### ITEM 1 Financial

GIDDY-UP PRODUCTIONS, INC.  
(A development stage company)

Balance Sheets  
May 31, 2008  
(Unaudited - Prepared by Management)  
(EXPRESSED IN U.S. DOLLARS)

	May 31, 2008	August 31, 2007
<hr/>		
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 20	\$ --
Prepaid expense	--	20,000
<hr/>		
CURRENT ASSETS	20	20,000
FILM PROPERTY (Note 3)	10,813	10,813
WEBSITE DEVELOPMENT COSTS (Note 4)	15,328	--
<hr/>		
TOTAL ASSETS	\$26,161	\$30,813
<hr/>		
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)		
LIABILITIES		
CURRENT		
Promissory note - related party	\$10,276	\$ --
Accounts payable and accrued liabilities	2,500	1,055
Due to a director	40,862	20,000
<hr/>		
TOTAL LIABILITIES	53,638	21,055
<hr/>		
STOCKHOLDERS' EQUITY (DEFICIENCY)		
SHARE CAPITAL		
Authorized:		
100,000,000 preferred shares, par value \$0.0001		
100,000,000 common shares, par value \$0.0001		
Issued and outstanding:		
Nil preferred shares		
8,100,000 common shares (August 31, 2007: 8,000,000)	810	800
Shares subscriptions received (note 6)	1,960	--
ADDITIONAL PAID-IN CAPITAL	10,503	10,013
(DEFICIT) ACCUMULATED DURING THE DEVELOPMENT STAGE	(40,750)	(1,055)

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TOTAL STOCKHOLDERS' EQUITY (DEFICIENCY) (27,477) 9,758  
-----

TOTAL LIABILITIES AND  
STOCKHOLDERS' EQUITY (DEFICIENCY) \$ 26,161 \$ 30,813  
=====

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

GIDDY-UP PRODUCTIONS, INC.  
(A development stage company)  
Statements of Stockholders' Equity (Deficiency) For the period from August 30,  
2007 (inception) to May 31, 2008

(Unaudited - Prepared by Management)  
(EXPRESSED IN U.S. DOLLARS)

	Preferred stock Shares	Preferred stock Amount	Common stock Shares	Common stock Amount	Additional paid-in capital	Share Subscriptions Received
Issuance of common stock for settlement of debt August 31, 2007, 0.005 per share	--	\$ --	8,000,000	\$800	\$ 39,200	\$ --
Film property transferred from a shareholder	--	--	--	--	(29,187)	--
Comprehensive income (loss) Loss for the period	--	--	--	--	--	--
Balance, August 31, 2007	--	\$ --	8,000,000	\$800	\$ 10,013	\$ --
Issuance of common stock for settlement of debt September 8, 2007, \$0.005 per share	--	--	100,000	10	490	--
Share subscriptions received	--	--	--	--	--	1,960
Comprehensive income (loss) Loss for the period	--	--	--	--	--	--
Balance, May 31, 2008	--	\$ --	8,100,000	\$810	\$ 10,503	\$1,960

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

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GIDDY-UP PRODUCTIONS, INC.  
(A development stage company)

Statements of Operations  
(Unaudited - Prepared by Management)  
(EXPRESSED IN U.S. DOLLARS)

	August 30, 2007 (inception) to May 31, 2008	Nine months ended May 31, 2008	Three months ended May 31, 2008
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>			
Accounting	9,678	9,678	1,654
Amortization	1,916	1,916	1,916
Interest	276	276	123
Marketing	1,329	1,329	282
Legal fees	26,123	25,068	2,568
Regulatory fees	225	225	--
Office expenses	1,203	1,203	678
<b>OPERATING LOSS</b>	<b>40,750</b>	<b>39,695</b>	<b>7,221</b>
<b>NET LOSS FOR THE PERIOD</b>	<b>\$ (40,750)</b>	<b>\$ (39,695)</b>	<b>\$ (7,221)</b>
<b>BASIC AND DILUTED LOSS PER SHARE</b>		<b>\$ (0.00)</b>	<b>\$ (0.00)</b>
<b>WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING</b>			
- basic and diluted		8,097,436	8,100,000

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

GIDDY-UP PRODUCTIONS, INC.  
(A development stage company)

Statements of Cash Flows  
(Unaudited - Prepared by Management)  
(EXPRESSED IN U.S. DOLLARS)

	August 30, 2007 (inception) to May 31, 2008	Nine months ended May 31, 2008
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Loss for the period	\$ (40,750)	\$ (39,695)
Adjustment to reconcile net loss to net cash used in operating activities:		
Amortization	1,916	1,916
Changes in non-cash working capital items		
- (increase) decrease in prepaid expense	--	20,000
- increase (decrease) in accounts payable		

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and accrued liabilities	2,500	1,445
-----		
NET CASH USED IN OPERATING ACTIVITIES	(36,334)	(16,334)
-----		
CASH FLOWS USED IN INVESTING ACTIVITIES		
Website development cost	(17,244)	(17,244)
-----		
NET CASH USED IN INVESTING ACTIVITIES	(17,244)	(17,244)
-----		
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Proceeds from promissory note	10,276	10,276
Increase in due to a director	41,362	21,362
Share subscriptions received	1,960	1,960
-----		
NET CASH PROVIDED BY FINANCING ACTIVITIES	53,598	33,598
-----		
INCREASE IN CASH AND CASH EQUIVALENTS	20	20
CASH AND CASH EQUIVALENTS, beginning of period	--	--
-----		
CASH AND CASH EQUIVALENTS, end of period	\$ 20	\$ 20
=====		

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

1. INCORPORATION AND CONTINUANCE OF OPERATIONS

Giddy-up Productions, Inc. was formed on August 30, 2007 under the laws of the State of Nevada. We have not commenced our planned principal operations, producing motion pictures. We are considered a development stage company as defined in SFAS No. 7. We have an office in Calgary, Alberta. The Company's fiscal year end is August 31.

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. We have incurred operating losses and require additional funds to maintain our operations. Management's plans in this regard are to raise equity financing as required.

These conditions raise substantial doubt about our ability to continue as a going concern. These financial statements do not include any adjustments that might result from this uncertainty.

We have not generated any operating revenues to date.

2. SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

Cash equivalents comprise certain highly liquid instruments with a maturity of three months or less when purchased. As of May 31, 2008 we had \$20 in cash and no cash equivalents.

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### Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

### Advertising Expenses

We expense advertising costs as incurred. Total advertising expenses for the period ended May 31, 2008 were \$1,329.

### Loss Per Share

Loss per share is computed using the weighted average number of shares outstanding during the period. We have adopted SFAS No. 128, "Earnings Per Share". Diluted loss per share is equivalent to basic loss per share.

### Concentration of Credit Risk

We place our cash and cash equivalents with high credit quality financial institutions. As of May 31, 2008, we had no balance in a bank beyond insured limits.

### Foreign Currency Transactions

We are located and operating outside of the United States of America. We maintain our accounting records in U.S. Dollars, as follows:

At the transaction date, each asset, liability, revenue and expense is translated into U.S. dollars by the use of the exchange rate in effect at that date. At the period end, monetary assets and liabilities are re-measured by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in operations.

### Fair Value of Financial Instruments

The respective carrying value of certain on-balance-sheet financial instruments approximated their fair value. These financial instruments include a promissory note, accounts payable and accrued liabilities, and amounts due to a director. Fair values were assumed to approximate carrying values for these financial instruments, except where noted, since they are short term in nature and their carrying amounts approximate fair values or they are payable on demand. Management is of the opinion that we are not exposed to significant interest or credit risks arising from these financial instruments. We operate outside the United States of America and have significant exposure to foreign currency risk due to the fluctuation of currency in which we operate.

### Income Taxes

We have adopted Statement of Financial Accounting Standards No. 109 (SFAS 109), Accounting for Income Taxes, which requires us to recognize deferred tax liabilities and assets for the expected future tax consequences of events that have been recognized in our financial statements or tax returns using the liability method. Under this method, deferred tax liabilities and assets are determined based on the temporary differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect in the years in which the differences are expected to reverse.

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### Stock-Based Compensation

The Company adopted SFAS No. 123 (revised), "Share-Based Payment", to account for its stock options and similar equity instruments issued. Accordingly, compensation costs attributable to stock options or similar equity instruments granted are measured at the fair value at the grant date, and expensed over the expected vesting period. SFAS No. 123 (revised) requires excess tax benefits be reported as a financing cash inflow rather than as a reduction of taxes paid.

We did not grant any stock options during the period ended May 31, 2008.

### Comprehensive Income

We adopted Statement of Financial Accounting Standards No. 130 (SFAS 130), Reporting Comprehensive Income, which establishes standards for reporting and display of comprehensive income, its components and accumulated balances. We are disclosing this information on our Statement of Stockholders' Equity. Comprehensive income comprises equity except those resulting from investments by owners and distributions to owners. We have no elements of "other comprehensive income" for the period ended May 31, 2008.

### Film Property and Screenplay Rights

The Company capitalized costs it incurs to buy film or transcripts that will later be marketed or be used in the production of films according to the guidelines in SOP 00-02. The Company will begin amortization of capitalized film cost when a film is released and it begins to recognize revenue from the film.

### Accounting for Derivative Instruments and Hedging Activities

We have adopted Statement of Financial Accounting Standards No. 133 (SFAS 133) Accounting for Derivative and Hedging Activities, which requires companies to recognize all derivative contracts as either assets or liabilities in the balance sheet and to measure them at fair value. If certain conditions are met, a derivative may be specifically designated as a hedge, the objective of which is to match the timing of gain and loss recognition on the hedging derivative with the recognition of (i) the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk or (ii) the earnings effect of the hedged forecasted transaction. For a derivative not designated as a hedging instrument, the gain or loss is recognized in income in the period of change.

We have not entered into derivative contracts either to hedge existing risks or for speculative purposes.

### Long-Lived Assets Impairment

Our long-term assets are reviewed when changes in circumstances require as to whether their carrying value has become impaired, pursuant to guidance established in Statement of Financial Accounting Standards No. 144 (SFAS 144), Accounting for the Impairment or Disposal of Long-Lived Assets. Management considers assets to be impaired if the carrying value exceeds the future projected cash flows from the related operations (undiscounted and without interest charges). If impairment is deemed to exist, the assets will be written down to fair value.

### Website Development Costs

Website development costs are for the development of the Company's Internet website. These costs have been capitalized when acquired and installed, and are being amortized over its estimated useful life of three years on a straight line

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basis. The Company accounts for these costs in accordance with EITF 00-2, "Accounting for Website Development Costs," which specifies the appropriate accounting for costs incurred in connection with the development and maintenance of websites. Amortization expense was \$1,916 for the period ended May 31, 2008.

### New Accounting Pronouncements

In March 2008, the FASB issued FASB Statement No. 161 ("SFAS 161"), "Disclosures about Derivative Instruments and Hedging Activities". SFAS 161 requires companies with derivative instruments to disclose information that should enable financial-statement users to understand how and why a company uses derivative instruments, how derivative instruments and related hedged items are accounted for under FASB Statement No. 133 "Accounting for Derivative Instruments and Hedging Activities" and how derivative instruments and related hedged items affect a company's financial position, financial performance and cash flows. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. The adoption of this statement is not expected to have a material effect on the Company's future financial position or results of operations.

In December 2007, the Financial Accounting Standards Board ("FASB") issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements - An amendment of ARB No. 51". SFAS 160 requires companies with noncontrolling interests to disclose such interests clearly as a portion of equity but separate

from the parent's equity. The noncontrolling interest's portion of net income must also be clearly presented on the Income Statement. SFAS 160 is effective for financial statements issued for fiscal years beginning after December 15, 2008. The adoption of this statement is not expected to have a material effect on the Company's future financial position or results of operations.

In December 2007, the Financial Accounting Standards Board ("FASB") issued SFAS No. 141, (revised 2007), "Business Combinations". SFAS 141 (R) applies the acquisition method of accounting for business combinations established in SFAS 141 to all acquisitions where the acquirer gains a controlling interest, regardless of whether consideration was exchanged. Consistent with SFAS 141, SFAS 141 (R) requires the acquirer to fair value the assets and liabilities of the acquiree and record goodwill on bargain purchases, with main difference the application to all acquisitions where control is achieved. SFAS 141 (R) is effective for financial statements issued for fiscal years beginning after December 15, 2008. The adoption of this statement is not expected to have a material effect on the Company's future financial position or results of operations

The FASB has additionally issued SFAS No. 155 to SFAS No. 159 and FIN No. 48 but they will not have any relationship to the current operations of the Company. Therefore, a description and its impact on the Company's operations and financial position for each have not been disclosed.

### 3. FILM PROPERTY

On August 30, 2007, we entered into a purchase agreement with our President to acquire all right, title and interest in and to a motion picture titled "Not That Kind of Girl" for total cash consideration of \$40,000. On August 31, 2007, our President agreed to accept 8,000,000 shares of our common stock in full and final satisfaction of the \$40,000 debt. In accordance with SEC Staff Accounting Bulletin 5G "Transfers of Non-monetary Assets by Promoters or shareholders", provided that transfer of non-monetary assets to a company by its promoters or shareholders in exchange for stock prior to or at the time of the Company's



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initial public offering normally should be recorded at the transferor's historical cost basis determined under GAAP. Pursuant to SEC Staff Accounting Bulletin 5G, the Company has recorded the film property at its estimated original cost of \$10,813 by crediting the film property with \$29,187 and debiting the additional paid-in capital with \$29,187

#### 4. WEBSITE DEVELOPMENT COST

The Company entered into a Website design and service agreement with a Website Developer which the Website Developer agreed to provide design, development and integration of a website infrastructure and interface for the Company with a consideration of US\$17,244 (CAD \$17,500). As at May 31, 2008, the Company's website has been substantially completed and recorded amortization expenses of \$1,916.

	May 31, 2008	August 31, 2007
	\$	\$
Cost	17,244	--
Accumulated amortization	(1,916)	--
Net book value	15,328	--

#### 5. PROMISSORY NOTE

On November 12, 2007, we issued an unsecured promissory note in the amount of \$10,000 to our President. The promissory note accrues interest at the rate of five per cent per year and is due and payable on demand. As May 31, 2008, the promissory note with accrued interest amounted to \$10,267.

#### 6. PREFERRED AND COMMON STOCK

We have 100,000,000 shares of preferred stock authorized at par value of \$0.0001 per share and none issued.

We have 100,000,000 shares of common stock authorized at par value of \$0.0001 per share. All shares of stock are non-assessable and non-cumulative, with no pre-emptive rights.

On August 31, 2007, the Company issued 8,000,000 restricted shares of common stock for the settlement of \$40,000 in debt owed to the president of the Company. (See note 3)

On September 8, 2007, we issued 100,000 restricted shares of common stock at \$0.005 per share to a director of the Company for the settlement of \$500 in debt.

During the period ended May 31, 2008, the Company received \$1,960 for the subscriptions to purchase 19,600 common stocks at a price of \$ 0.10 per share.

#### 7. RELATED PARTY TRANSACTIONS AND COMMITMENTS

Please see note 3, note 5 and note 6.

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### ITEM 2 MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS

#### FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

We are a development stage independent motion picture producer having our principal office located at 409-903 19th Avenue SW, Calgary, AB. Our telephone number is 403-399-6402. Our facsimile number is 866-900-0582. Our website is presently being developed and will be located on the Internet at [www.starflick.com](http://www.starflick.com).

We are in the business of developing, producing, marketing and distributing low-budget feature-length films. We have not commenced business operations. To date, our business activities have been limited to organizational matters, acquiring film rights, developing our website and the preparation and filing of a registration statement with regard to our initial public offering.

On February 27, 2008, the Securities and Exchange Commission declared our Form S-1 Registration Statement (Commission File No. 333-148076 effective. Our offering commenced on the effective date and will terminate on the earlier of the date on which we sell all offered shares and the date on which we terminate the offering, which date will not be later than February 27, 2009. We have not sold any shares through the offering as of June 28, 2008.

As of May 31, 2008, we had total assets of \$26,161 comprised of \$20 in cash, \$10,813 in film property and \$15,328 in website development costs. This reflects a decrease of \$4,652 of the value of our total assets from \$30,813 on August 31, 2007.

As of May 31, 2008, our total liabilities increased to \$53,638 from \$21,055 as of August 31, 2007.

We have not generated revenue since the date of inception. We do not presently have sufficient working capital to satisfy our cash requirements for the next twelve months of operations.

We do not expect to purchase or sell any significant equipment nor do we expect any significant changes in the number of our employees.

#### RESULTS OF OPERATIONS

We posted an operating loss of \$7,221 for the quarter ending May 31, 2008, due primarily to expensing of accounting charges, amortization expenses and legal fees.

### ITEM 3 CONTROLS AND PROCEDURES

As required by Rule 13a-15 under the Exchange Act, we have carried out an evaluation of the effectiveness of the design and operation of our company's disclosure controls and procedures as of the end of the period covered by this quarterly report, being May 31, 2008. This evaluation was carried out under the supervision and with the participation of our management, including our president and chief executive officer. Based upon that evaluation, our president and chief executive officer concluded that our disclosure controls and procedures are effective. There have been no significant changes in our internal controls or in other factors, which could significantly affect internal controls subsequent to the date we carried out our evaluation.

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Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our president and chief executive officer as appropriate, to allow timely decisions regarding required disclosure.

### PART II OTHER INFORMATION

#### ITEM 1 LEGAL PROCEEDINGS

The Company is not a party to any material legal proceedings and to its knowledge, no such proceedings are threatened or contemplated.

#### ITEM 1A RISK FACTORS

Not applicable

#### ITEM 2 UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

At present, our common stock is not publicly traded.

As of May 31, 2008 there were two owners of record of our common stock.

#### Dividend Policy

Our Board of Directors may declare and pay dividends on outstanding shares of common stock out of funds legally available there for in our sole discretion; however, to date no dividends have been paid on common stock and we do not anticipate the payment of dividends in the foreseeable future.

#### Use of Proceeds from Registered Securities

On February 27, 2008, the Securities and Exchange Commission declared our Form -1 Registration Statement (Commission File No. 333-148076 effective. Our offering commenced on the effective date and will terminate on the earlier of the date on which we sell all offered shares and the date on which we terminate the offering, which date will not be later than February 27, 2009. We have not sold any shares through the offering as of June 28, 2008.

#### ITEM 3 DEFAULT UPON SENIOR SECURITIES

Not applicable.

#### ITEM 4 SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None

#### ITEM 5 OTHER INFORMATION

None

#### ITEM 6 EXHIBITS

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EXHIBIT	DESCRIPTION
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31.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.1	Officers' Certification

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GIDDY-UP PRODUCTIONS, INC.

Date: July 11, 2008  
Zoltan Nagy  
President, Chief Executive Officer,  
Chief Financial Officer, and  
Principal Accounting Officer