

Unaudited Financial Statements
for the Year Ended 31 October 2020
for
Nitty Gritty.Net Limited

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for the Year Ended 31 October 2020

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Nitty Gritty.Net Limited
Company Information
for the Year Ended 31 October 2020

DIRECTORS: Lee Briscoe
Marcus Roberts
Liam Southwood

SECRETARY: Liam Southwood

REGISTERED OFFICE: 93 Tabernacle Street
London
EC2A 4BA

REGISTERED NUMBER: 04947163 (England and Wales)

ACCOUNTANTS: Ramon Lee Ltd
93 Tabernacle Street
London
EC2A 4BA

Balance Sheet
31 October 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Intangible assets	4	-	53,333
Tangible assets	5	<u>20,407</u>	<u>27,330</u>
		<u>20,407</u>	<u>80,663</u>
CURRENT ASSETS			
Debtors	6	619,966	643,602
Prepayments and accrued income		18,087	20,592
Cash at bank and in hand		<u>1,242,052</u>	<u>809,628</u>
		1,880,105	1,473,822
CREDITORS			
Amounts falling due within one year	7	<u>(465,386)</u>	<u>(255,899)</u>
NET CURRENT ASSETS		<u>1,414,719</u>	<u>1,217,923</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,435,126</u>	<u>1,298,586</u>
CAPITAL AND RESERVES			
Called up share capital	8	9,210	9,210
Share premium		1,127	1,127
Retained earnings		<u>1,424,789</u>	<u>1,288,249</u>
SHAREHOLDERS' FUNDS		<u>1,435,126</u>	<u>1,298,586</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Balance Sheet - continued
31 October 2020

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 Profit and loss account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 8 June 2021 and were signed on its behalf by:

Lec Briscoe - Director

Notes to the Financial Statements
for the Year Ended 31 October 2020

1. **STATUTORY INFORMATION**

Nitty Gritty.Net 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 currency of the financial statements is the Pound Sterling (£).

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.

TURNOVER

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes for the services provided in the normal course of business

GOODWILL

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised over 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less residual values over the useful life on the following basis:

Office Equipment - 33.33% on cost
Computers - 33.33 on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

TAXATION

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2020

2. **ACCOUNTING POLICIES - continued**
DEFERRED TAX

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

EQUITY INSTRUMENTS

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

CASH AND CASH EQUIVALENT

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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 at transaction 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.

CLASSIFICATION OF FINANCIAL LIABILITIES

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.

BASIC FINANCIAL LIABILITIES

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2020

2. **ACCOUNTING POLICIES - continued**

EMPLOYEE BENEFIT

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 22 (2019 - 26) .

4. **INTANGIBLE FIXED ASSETS**

	Goodwill £
COST	
At 1 November 2019 and 31 October 2020	<u>400,000</u>
AMORTISATION	
At 1 November 2019	346,667
Charge for year	<u>53,333</u>
At 31 October 2020	<u>400,000</u>
NET BOOK VALUE	
At 31 October 2020	<u>-</u>
At 31 October 2019	<u>53,333</u>

5. **TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 November 2019	228,668	200,000	428,668
Additions	<u>7,758</u>	<u>-</u>	<u>7,758</u>
At 31 October 2020	<u>236,426</u>	<u>200,000</u>	<u>436,426</u>
DEPRECIATION			
At 1 November 2019	201,338	200,000	401,338
Charge for year	<u>14,681</u>	<u>-</u>	<u>14,681</u>
At 31 October 2020	<u>216,019</u>	<u>200,000</u>	<u>416,019</u>
NET BOOK VALUE			
At 31 October 2020	<u>20,407</u>	<u>-</u>	<u>20,407</u>
At 31 October 2019	<u>27,330</u>	<u>-</u>	<u>27,330</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2020

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Trade debtors	614,025	641,504
Amounts owed by group undertakings	111	-
Other debtors	5,830	2,098
	<u>619,966</u>	<u>643,602</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Trade creditors	158,088	85,768
Taxation and social security	268,758	126,256
Other creditors	38,540	43,875
	<u>465,386</u>	<u>255,899</u>

8. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
			£	£
210	Ordinary Share Capital	1	210	210
9,000	B Share capital	1	9,000	9,000
			<u>9,210</u>	<u>9,210</u>

9. **POST BALANCE SHEET EVENTS**

Since the year end, the Coronavirus (COVID-19) has emerged globally resulting in a significant impact on businesses worldwide. As a result some business operations have been restricted, however the company continues to operate using alternative methods and remote working.

The directors are unable to evaluate the overall financial impact on the business at present. Hence financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The directors are continuing to monitor, assess and act to the current changing environment in order to position the company to ensure its future success.

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.