

**SMALLER EARTH LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Smaller Earth Limited
Unaudited Financial Statements
For The Year Ended 30 September 2021

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Smaller Earth Limited
Balance Sheet
As at 30 September 2021

Registered number: 03859099

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	3		199		2,630
			<u>199</u>		<u>2,630</u>
CURRENT ASSETS					
Debtors	4	1,393,587		1,360,213	
Cash at bank and in hand		208,100		58,182	
		<u>1,601,687</u>		<u>1,418,395</u>	
Creditors: Amounts Falling Due Within One Year	5	(940,194)		(813,850)	
NET CURRENT ASSETS (LIABILITIES)			<u>661,493</u>		<u>604,545</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>661,692</u>		<u>607,175</u>
Creditors: Amounts Falling Due After More Than One Year	6		(1,005,556)		(840,000)
NET LIABILITIES			<u>(343,864)</u>		<u>(232,825)</u>
CAPITAL AND RESERVES					
Called up share capital	7		40,000		40,000
Capital redemption reserve			30		30
Profit and Loss Account			<u>(383,894)</u>		<u>(272,855)</u>
SHAREHOLDERS' FUNDS			<u>(343,864)</u>		<u>(232,825)</u>

Smaller Earth Limited
Balance Sheet (continued)
As at 30 September 2021

For the year ending 30 September 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Ms Izabella Gyuricza

Director

31 January 2022

The notes on pages 3 to 5 form part of these financial statements.

Smaller Earth Limited
Notes to the Financial Statements
For The Year Ended 30 September 2021

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Going Concern Disclosure

The company's ability to trade has been severely impacted due to the COVID-19 outbreak. The directors are taking all necessary steps to ensure the survival of the business which includes accessing government funding and loans, and cutting costs where possible. The directors consider that although some trading has recommenced there remains uncertainty in relation to the ongoing financial impact of the pandemic on company revenue over the next 12 months. However, given the continuing efforts to secure government funding, and cutting costs where possible, the directors continue to adopt the going concern basis of accounting.

1.3. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

1.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	25% Straight Line
Fixtures & Fittings	25% Straight Line
Computer Equipment	50% Straight Line

1.5. Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.6. Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and 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 end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Smaller Earth Limited
Notes to the Financial Statements (continued)
For The Year Ended 30 September 2021

1.7. Government Grant

Government grants are recognised in the profit and loss account in an appropriate manner that matches them with the expenditure towards which they are intended to contribute. During the year the company received Government funding to support salaries of staff on furlough.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 9 (2020: 33)

3. Tangible Assets

	Plant & Machinery	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£
Cost				
As at 1 October 2020	165,033	67,963	9,750	242,746
As at 30 September 2021	165,033	67,963	9,750	242,746
Depreciation				
As at 1 October 2020	165,033	67,963	7,120	240,116
Provided during the period	-	-	2,431	2,431
As at 30 September 2021	165,033	67,963	9,551	242,547
Net Book Value				
As at 30 September 2021	-	-	199	199
As at 1 October 2020	-	-	2,630	2,630

4. Debtors

	2021	2020
	£	£
Due within one year		
Trade debtors	328,012	262,679
Prepayments and accrued income	36,804	41,362
Deferred tax current asset	27,726	1,681
Amounts owed by group undertakings	1,001,045	1,001,953
Amounts owed by other participating interests	-	52,538
	1,393,587	1,360,213

Smaller Earth Limited
Notes to the Financial Statements (continued)
For The Year Ended 30 September 2021

5. Creditors: Amounts Falling Due Within One Year

	2021	2020
	£	£
Trade creditors	254,376	9,476
Bank loans and overdrafts	212,172	60,416
Corporation tax	-	34,012
Other taxes and social security	3,042	6,492
Net wages	-	745
Other creditors	422	1,220
Accruals and deferred income	387,233	419,851
Amounts owed to other participating interests	82,949	281,638
	<u>940,194</u>	<u>813,850</u>

6. Creditors: Amounts Falling Due After More Than One Year

	2021	2020
	£	£
Bank loans	1,005,556	840,000
	<u>1,005,556</u>	<u>840,000</u>

7. Share Capital

	2021	2020
Allotted, Called up and fully paid	40,000	40,000

8. Ultimate Parent Undertaking and Controlling Party

The company's immediate and ultimate parent undertaking is Smaller Earth Group Limited . Smaller Earth Group Limited was incorporated in England & Wales. Copies of the group accounts may be obtained from the secretary, Avenue HQ, 17 Mann Island, Liverpool, L3 1BP . The ultimate controlling party is Smaller Earth Group Limited who controls 100% of the shares of Smaller Earth Limited .

9. General Information

Smaller Earth Limited is a private company, limited by shares, incorporated in England & Wales, registered number 03859099 . The registered office is 17 Mann Island, Liverpool, L3 1BP.

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.